

SEANAD ÉIREANN

Dé Máirt, 16 Samhain 2010.
Tuesday, 16 November 2010.

Chuaigh an Cathaoirleach i gceannas ar 2.30 p.m.

Paidir.

Prayer.

Business of Seanad

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

The need for the Minister for Foreign Affairs to clarify if the Government supports the position of the Dutch parliamentary committees on European and foreign affairs which oppose Serbia's accession to the European Union until certain war criminals (details supplied) are handed over to the International Criminal Court in the Hague.

I have also received notice from Senator Niall Ó Brolcháin of the following matter:

The need for the Tánaiste and Minister for Education and Skills to provide a new secondary school in Claregalway, County Galway.

I have also received notice from Senator Cecilia Keaveney of the following matter:

The need for the Minister for Transport to give an update in respect of the N2-A5 road and the current status of this project further to the most recent North-South Ministerial Council meeting.

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

The need for the Tánaiste and Minister for Education and Skills, in view of the over-capacity and ongoing demand for school places, to outline the current status of the application for new accommodation, including the timeframe for delivery, at Calasanctius College, Oranmore, County Galway.

I have also received notice from Senator James Carroll of the following matter:

The need for the Minister for the Environment, Heritage and Local Government to clarify the size, space and other requirements for disabled access toilets in public and private buildings.

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

[An Cathaoirleach.]

The need for the Minister for Agriculture and Food to initiate a debate with the relevant stakeholders and the European Commission on the possibility of redeveloping a sugar beet industry in Ireland.

I regard the matters raised by the Senators as suitable for discussion on the Adjournment. I have selected the matters raised by Senators Mooney, Ó Brolcháin and Keaveney 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, motion re transfer of financial messaging data from the European Union to the USA, referral to joint committee, to be taken without debate at the conclusion of the Order of Business, and No. 2, Chemicals (Amendment) Bill 2010 — Second Stage, to be taken at the conclusion of No. 1 and conclude not later than 6.45 p.m., if not previously concluded, on which spokespersons may speak for 15 minutes and all other Senators for ten minutes and Senators may share time, by agreement of the House, with the Minister to be called upon ten minutes before the conclusion of the debate for closing comments.

Senator Frances Fitzgerald: We are meeting on what is an extremely difficult day for Ireland. It is clear our biggest asset is the resilience of the people, as we saw last night in some of the contributions made on “The Frontline” programme. Nevertheless, even in spite of their resilience, many are very nervous and scared; they are worried about their pensions, deposits and the cutbacks to be made and are asking questions about what will happen at this time of crisis. While I have no doubt Irish people have the resilience to deal with what confronts us, it is clear that they need leadership, clarity and consistency, qualities that have not been evident in recent times. People do not believe they have been led well or that the policies adopted have worked. The figures have changed consistently and this has created considerable insecurity.

Ireland is on the brink today. It is extremely disturbing, as citizens and Members of the Oireachtas, to read in national and international newspapers headlines that Ireland must take the EU bailout or trigger a crisis, that Germany is pushing Ireland to accept help and so forth. This is the position we are in and we must move forward. While we do not know what will be the outcome of the discussions tonight in Brussels, we all want them to be successful. Members of the public want a new Government with a mandate to implement what will be extraordinary difficult decisions in the weeks and months ahead. I, therefore, ask the Leader to arrange a debate tomorrow on the outcome of the meetings tonight. The Seanad must discuss the issue if it is to have credibility. Senators could find out the outcome of the discussions and take the opportunity to express their views on it.

The Fine Gael Party will continue to take a responsible position in the weeks and months ahead, which will be a critical time for the country. We need the best thinking of Members across the party divide. My party is clear on what should be the way forward. However, the Government has not been consistent or clear and has not shown good leadership or authority in the past year. This is an extraordinarily difficult time. As I stated, our best asset is the resilience of the people, as they have shown time and again. The period ahead will demand greater resilience from each and every one of them.

Senator Joe O’Toole: Once again, taxpayers and the Government are facing into a black hole caused by the irresponsibility of the private sector and its leadership in the banks. It

should not be forgotten what they have done to us because we must not come to rely again on those who got us into the mess in the first instance.

The Government has taken a responsible attitude towards the redemption of senior bonds and bondholders, stating throughout that these bonds are fully guaranteed and that it will pay them back in full. It has done so because it believes the alternative would cause extraordinary reputational damage to the country. It also takes the view that even a threat not to pay back these bonds would cause such damage to the country's reputation as to make any such move unaffordable. I have supported this view until now. The reason I no longer support it is that it has created a moral hazard because reckless, irresponsible and uncaring currency traders and bond marketeers around the world now have the best of both worlds.

Senator David Norris: Hear, hear.

Senator Joe O'Toole: They have been given a full guarantee by the State without facing any risk, while enjoying high interest rates. They are raising the stakes in the game ever higher. We must recognise that the game has changed in that respect and our response must differ.

Notwithstanding what one reads in Irish newspapers today, Senators should read what is being written in the international media, notably the *Financial Times*, *The New York Times* and *The Wall Street Journal*, because these newspapers take a different view of the issue facing us. They clearly state the problem is European rather than Irish in nature. The Government should take a similar view during the discussions in Brussels tonight. We do not want a European solution to an Irish problem but a European solution to a European problem. We know what will happen. Those in Brussels who spoke with certainty one year ago, when it was scandalous even to use the word "bailout", now seek to bully Ireland into accepting a bailout. We need to know exactly what is being done. I do not mind if Ireland accepts money if this needs to be done, but I am not convinced by those who have changed their views at various times in the past year. Under no circumstances should we work on the basis that we have to sort out an Irish problem. Were the Irish problem to be sorted, these international gamblers would start gambling on Portugal, then on Spain and so on. Whatever is done, it must be considered in that way and, therefore, one must confirm the view that new targets are needed. I looked back to ascertain whether this has ever arisen before, because there are no new problems in the world. I found that the International Monetary Fund had encountered this problem previously in emerging economies over many years. It was obliged to deal with it in a number of ways in cases where it decided it would be impossible for an economy to redeem fully, on the basis of changed circumstances, all of the bondholders 100%. In a solution that is close to the so-called bail-in solution about which people are talking, it developed a sovereign debt restructuring mechanism which effectively was to state that people who buy in may be obliged, if circumstances change, to take a hit to some extent at the end.

An Cathaoirleach: I thank the Senator.

Senator Joe O'Toole: Were that the case, one could deal with a European approach to the problem rather than simply an Irish approach.

Senator Dominic Hannigan: Since Members last met, the financial situation has deteriorated to the extent that this afternoon's meeting will see Ireland come under enormous pressure to accept a bailout not just for our sake but to save the euro currency as well. One need only look at this morning's newspaper headlines to learn how concerned is the rest of the Continent. The *Financial Times* reported on its front page that Ireland is edging nearer to a bailout. The *International Herald Tribune* reports that Dublin may require rescue to stem the crisis and *The Daily Telegraph* reports that Germany will push Ireland to accept help. It is clear that the rest

[Senator Dominic Hannigan.]

of Europe has lost confidence in the Government and that it has run out of time. Its inaction is leading to countries such as Portugal and Spain becoming highly concerned about whether the cost of their debt will increase to a level they cannot withstand. When listening to our own Government, it is clear that it is at sixes and sevens on this issue and that its members are unclear in their own minds about what exactly will happen. The longer this goes on, the worse it will be for both Ireland and the rest of Europe. This is one card the Minister, Deputy Brian Lenihan, retains in his hand to play. The important thing is that if, when the Minister attends the meeting today, he considers himself obliged to accept a bailout, he should do so on his own terms and should try to ensure Ireland retains economic sovereignty and its own independence during that process.

On a separate issue, I was fortunate yesterday to be able to attend the launch of a new scheme in County Meath called the Men's Shed. It is a place to which older man can go to do things such as woodwork or metalwork or simply to play cards with gentlemen of their own age. Its purpose is to try to combat loneliness and rural isolation and it is being launched by the Third Wave Foundation. It is an example, in these desperately hard times, of how much good remains in the country and of how much promise and hope there still exists when communities come together. This is the message that Members need to send today.

Senator Dan Boyle: It undoubtedly is true that the present situation facing the country is very serious. On one level, all Members should offer whatever support they can to the Minister for Finance in the two meetings that are taking place in Brussels today, namely, the euro group meeting and the ECOFIN Ministers' meeting. The country has been coming under enormous pressure that has been fuelled by international press reports coming from sources that I do not believe have this country's interests at heart.

Senator David Norris: The Senator got that right.

Senator Dan Boyle: This must be acknowledged in the first instance. The quality of the reporting, including reporting things as happening that have not happened or predicting things that will happen but that have yet to happen, does little for the quality of the truth that is required to deal with the crisis in which we face ourselves. More importantly, on the issue of governance, if a use must be made of the facility to a large degree, for whatever circumstances, this will affect not only the parties in government at present but also whatever parties will find themselves in government in the near future. The governance of our country and our economic sovereignty are the issues at stake. While undoubtedly there have been policy areas that have contributed to our worsening situation, we also are a victim of international politics as regards our membership of the euro currency and how, as Senator O'Toole noted, we are being speculated against as being a link on the chain and the perceived weakest link on the chain at present. It also is true that if such speculators get their way on having their double guarantee at present, they will move on to Portugal and Spain. There is an onus on us, as concerned citizens and public representatives of this country, to protect the country's interests but also to look at how we, collectively in the European Union, will deal with this issue. In recent days, I fear that individual politicians, institutions and even governments have been thinking more of self-interest and national interest than the wider economic situation in which we find ourselves and which we are supposed to share. If we, as a small country, are to be victims of that situation, we should all be concerned about that.

I ask that the debate in this House, including the debate tomorrow on the existing bank guarantee, be conducted in those terms. We wish the Minister for Finance well and hope the

Cabinet, when it meets on Thursday next, has an appropriate set of circumstances for our economy and society in which the country can move forward.

We should welcome the release from house arrest of Aung San Suu Kyi and wish her well on her journey in her country, leading her people to better and more democratic circumstances. We have talked about the Burmese situation many times and the suffering of that country offers a useful contrast to the challenges we face in this country.

Senator Nicky McFadden: I agree with what Senator Boyle has said about levelling with the people and being honest with them about our very serious financial situation. I join Senator Fitzgerald in asking the Leader to arrange a debate as soon as the Minister for Finance, Deputy Brian Lenihan, comes back from Brussels. In the past 48 hours Minister after Minister has denied that any talks were ongoing. I fail to understand why the Government is still dealing with this matter in a clandestine and hoodwinking manner and not levelling with the people. The people are terrified and are worried about their deposits and how they will be able to survive. If the Government were to level with the people and tell them the truth, and it is about the truth, we would be able to move on. There will be support from this side of the House for doing the right thing.

I also raise the issue of the single farm payment and the digitisation of maps. Many people have contacted me with regard to delays in the single farm payment. Is it that there is no money to pay farmers or is it that the inability to organise the digitising of maps is being used as an excuse? I ask for a very strong debate with the Minister, Deputy Brendan Smith, on this matter. Farmers are at the end of their tether trying to make ends meet.

Senator Ann Ormonde: I agree with speakers who say the financial situation has deteriorated greatly and I wish the Minister for Finance every success in his negotiations this afternoon. I read an article by one of the leading journalists in *The Irish Times* today and I was impressed by his approach. He said the international media are not accurately communicating the Irish position and indicated areas we could be talking about positively. He mentioned the information technology industry and the fine people who work in it and who could give leadership. He also referred to tourism. While that industry is languishing at present, nevertheless there are opportunities to re-invent and re-market the tourism industry.

These industries are driven by people with vision, energy and imagination. I would like this Chamber to talk about those issues. There are many fine people working on the ground but we hear so much negativity from some of the international and Irish media that we never get a chance to do anything positive. We are coming across as such negative people, it is no wonder the public at large are disengaged from us and feel very vulnerable at present. We should talk about our IT industry and those industries based on agriculture and food. These are areas where much positive thinking is going on. We should have debates on these issues in this Chamber.

There is room for discussion of the issue of students dropping out of third level institutions. With regard to the study being reported on, perhaps we should debate why the institutes of technology seem to have a higher dropout rate at the end of first year than other third level institutions. This Chamber could entertain a great debate on this issue.

Senator David Norris: As always, it is very interesting to hear what my colleague, Senator O'Toole, has to say. He says he has now changed his mind on matters such as the bank guarantee. I am in exactly the same position I was in. I disagree with the Senator in that the problem is not just a European one but also an American one. Global circumstances need to be considered. I hope the contagion will not be allowed to spread from the economy into society. We have an obligation to the citizens of Europe which needs to be protected rather than the

[Senator David Norris.]

interests of the gamblers, financial speculators and financial institutions. We should not allow these values to be removed from us.

I agree with what Senator Ormonde said. I read the same article as her. I remember when a former editor of *The Irish Times*, Mr. Douglas Gageby, was the head of the Irish News Agency. Part of its job was to contact the opinion formers and correct misinterpretations. There is a serious situation, but there is a lot of positive information that should be circulated. Mistakes should be corrected.

Will the Leader contact the Minister for Foreign Affairs to ask him to take up with the Israeli authorities the case of Mr. Shawan Jabarin who was a student in Galway in the Irish Centre for Human Rights? He is to be awarded a distinguished graduate honour at its tenth anniversary celebrations, at which I will be the master of ceremonies. The centre
3 o'clock has asked me to take up the matter. Mr. Jabarin is committed to a policy of non-violence and a civic leader among the Palestinian people. He has been arrested, imprisoned and tortured, but he still continues with his work. He is banned because of his involvement with the Palestinian human rights organisation Al-Haq. The ban has been upheld by the Israeli courts and is all of a piece with a matter raised previously in the House, namely, the case of a young female student who was not allowed to continue her education in Bethlehem University, a university with strong contacts with University College Dublin. Since Mr. Jabarin was Amnesty International's first international prisoner of conscience from the Palestinian people, we should do what we can to ensure he will be permitted to travel here to receive the award he richly deserves.

Senator Labhrás Ó Murchú: In the history of every country but none more than Ireland there are defining moments that decide its future welfare and character. We have often touched on defining moments in debates. We have reached a defining moment in that Ireland is at a crossroads and we must make a decision on which road we are to take.

I was impressed by Senator Fitzgerald who expressed her clear belief the Irish nation would have the resilience to overcome the challenges faced. Senator Hannigan made a very good point in referring to the good in the community. We are all aware of this and know how strong it is and how cohesive it is as an influence. However, having read the various reports emerging, I note there is now a suggestion there is a divisive element, even within Europe, and that there are certain states focusing on and targeting Ireland in a way that suits them best rather than the Irish nation. That being the case, we need to unite as a people and return to the policy of old Sinn Féin, "Ourselves alone".

Senator Paul Coghlan: We could hardly abandon the currency.

Senator Labhrás Ó Murchú: If we are to depend totally on a cohesive voice emerging in Europe, we will find it will not emerge at this stage. That is why we are receiving different reports on a 24-hour basis, which reports are contradicted subsequently.

It is obvious that forces which do not have the best interests of Ireland at heart are currently at work. This House and the Dáil have an opportunity to provide the leadership to which reference has been made in order to ensure that incorrect, misleading or divisive messages do not emanate from Ireland.

Senator Fidelma Healy Eames: This is a worrying time. We wish the Minister for Finance well today. However, it is clear that all the financial solutions the Government has brought forward have failed. The Government has allowed the banks to destabilise our country and they are now destabilising the eurozone as well. All of the Government's denials regarding a

bailout are probably going to be found to be incorrect. I wish to put a number of basic questions to the Leader and the Minister for Finance. I support and second the amendment tabled by Senator Fitzgerald to the effect that a debate on this matter should be held in the House tomorrow.

An Cathaoirleach: I have no record of an amendment being tabled.

Senator Frances Fitzgerald: It was just a request.

Senator Fidelma Healy Eames: Go mo leithscéal, it was a request. Will Ireland's low rate of corporation tax be at risk regardless of whether it decides to opt for a bailout? Being obliged to change the corporation tax rate could be a condition either way. What will be the position with regard to people's savings? At the weekend I was approached by many individuals who are concerned by reports which indicate that the terms of engagement in the event of a bailout could mean that their savings will be frozen.

The time for honesty has come. We can handle the truth. This is a great country and we are a great people. However, we have not been dealt a fair hand by the Government. We must stand together and there is a need for clarity and fairness. People must not be left in the dark. In the event of a bailout, which would essentially mean the State would be in default, what would be the status of the bank guarantee?

The second issue I wish to raise——

An Cathaoirleach: The Senator's time is exhausted. She may raise the second matter on tomorrow's Order of Business.

Senator Fidelma Healy Eames: It relates to the families in Galway that have been affected by flooding.

An Cathaoirleach: I must call Senator Dearey.

Senator Fidelma Healy Eames: I will raise the matter tomorrow.

Senator Mark Dearey: One of the core principles of the Green Party's philosophy revolves around the concept of living within limits and in a sustainable manner. This means that, in the context of business, transport and production, we must recognise that there are environmental limits which apply. The Green Party also believes that economics also involves respecting limits. While it may have been the intention that the Stability and Growth Pact should provide such limits, it is clear that this pact has been dealt with in a quite casual way since the establishment of the euro. Many countries were allowed to stray outside the terms of the Stability and Growth Pact. In the case of Ireland, adherence to the limits to which I refer has contributed to creating the awful situation in which we find ourselves.

It is terrible to see how Ireland is being described in the international media at present. Not all of the criticism being levelled at the country is without foundation. However, as pointed out on *Time* magazine's website this lunchtime, some of this criticism is the result of a campaign of bullying. We must recognise that there are limits which must be respected. The latter comes instinctively to someone such as me, particularly as I am associated with a party which builds its ideas around the concept of sustainability. We must restore a level of sanity and build on our natural advantages.

One of the advantages, which was not promoted as well as could have been the case in some of the more positive articles I have read in recent days, is our ability to become self-sufficient from the point of view of energy. Ireland could reach a position where it would be able to

[Senator Mark Dearey.]

export nine times the amount of energy it needs. Senator Butler referred to one company in this regard in recent days. However, this project is far bigger and encompasses a much broader agenda than merely concentrating on the efforts of a single company.

If we can focus on the positive concept to which I refer, we will create the basis on which to build an extremely sustainable country which would not be obliged to overreach itself and which could find the wherewithal to survive into the future from within its own resources. It should be a core part of any debate on the future shape of the economy.

Senator Paul Coghlan: I join others in urging the Leader to arrange the debate tomorrow when we have the outcome of the euro group and ECOFIN meetings. There is not a problem, as we understand it and as we think we know it, with the country. It is fully funded until the middle of next year. This problem, against which Ireland has been speculated, concerns our banks because they lack investor confidence. It is because the European Central Bank is simply uncomfortable with our banks' dependence on it. I wish those meetings very well. While "bail-out" is perhaps a misnomer, whatever it is, I would advise the Minister to take it because the Government has been unable to provide certainty on our financial stability. That is where the Government has failed utterly.

We can get over it, we have the confidence and we can build again. I hope for the sake of the country and the financial institutions that the Minister accepts whatever is proffered and which will be agreed, as I understand it, among colleagues. There are many questions with which we are bedevilled and we cannot advance further until that happens. There is no mention of a third force in banking. We do not even know what is happening with Irish Life and Permanent, which, thankfully, is not involved as the others are in dependence on the State and which is still independent of taxpayers' involvement through the Minister. Credibility is involved. We need clarity, as has been stated by so many, and we need certainty. We will not have that certainty until we get over the meeting today. That is why I wish it well and hope the Leader will arrange that debate tomorrow.

Senator John Ellis: We all are disgusted by some of the negative publicity, much of it unfounded, that has been cast on this country by the international media over recent weeks. It should be remembered that we are playing against a different agenda. Certain of the stronger European countries believe Ireland is probably the weakest link in the chain of the financial position of the euro.

Senator Nicky McFadden: We are.

Senator John Paul Phelan: We are.

Senator John Ellis: That is part of the reason we are being targeted. The one question I want to put to the Leader, which he probably will not be able to answer but which should be put—

Senator Paul Coghlan: Senator Ellis was not meant to say that from that side.

Senator Jerry Buttimer: Senator Ellis is getting wise in his old age.

Senator John Ellis: We must be clear on something in this regard. If we are to save our banking institutions and get a functioning banking system in this country, we must get money made available in our economy at the same rate as it is being made available by the ECB to the stronger member states within the EU. There is not much sense in us paying the penalties that are killing our economy. We joined the euro to have the same interest rates as they have

in Germany. Where are we today? We have been kicked out so far by the EU and the ECB that it is time we decided that we should either go on our own——

Senator John Paul Phelan: What nonsense.

Senator Nicky McFadden: Give the Minister a call.

Senator John Ellis: ——or do something about getting the same rates available in this country as there are in Germany.

Senator Eoghan Harris: I came in today hoping I would hear serious criticism of the Government's policy over recent days and all I get is the green flag being wrapped around by everyone, especially by the Labour Party, and talk about economic sovereignty. James Connolly stated that if one took down the Union Jack from Dublin Castle and put up the green flag, it would make no difference.

What is this blustering talk of economic sovereignty from the Taoiseach and from the Minister for Finance over recent days about? I come from people like peasant people who had to shoot the odd landlord to ensure the rents were kept calm in an area. The squeaky wheel got the grease they knew.

What is this stuff about sovereignty? The facts are simple. The Minister, Deputy Brian Lenihan, gave the banks a bailout on the best information he had. He acted like a patriot, I think his information was flawed, he probably got the nod from the ECB and he did his duty. So far, so good. It was wrong, it is now subsequent, the facts have changed and we realise that bailout may have been a mistake. No fault on him. He was acting on the best information he had.

Now we know what we need to do. The sovereign debt and Ireland's economy are fine. The banks are the problem due to the bank debt. What we need to do is go to Europe and say to the ECB that it gave us low interest rates, loaned us money, helped us to create a property bubble and now this is reality time. What we want it to do now is take away the bank debt. The ECB has zillions of euro; it has €1.3 trillion and this is a Mickey Mouse debt for it. Take the bank debt off our backs and allow sovereign Ireland to go on trading and creating employment for its people. What we need is straight talk from the Taoiseach and from Deputy Brian Lenihan. We need them to get in and get squeaky wheel with Europe, and get tough with Europe and state they are there to mind our people; not the green flag or something called sovereignty but the real people of Ireland. Look after them now.

Senator Niall Ó Brolcháin: I was very interested to hear the previous speaker. I will not follow it, I will try to keep calm. I was also interested to hear the comments of Senator Ó Murchú who spoke about the old catch cry of Sinn Féin, which was “sinn féin amháin”. This is the spirit that perhaps we need to look at. We need to look at the national spirit. We cannot have it both ways. If we are going to stand together we have to stand together. We cannot stand both together and apart; it is not possible. I very much endorse the views of Senator Mark Dearey. I believe that in six months our children will still have hot dinners and will still be able——

Senator Jerry Buttimer: Not today because of the state of the Government.

An Cathaoirleach: No interruptions.

Senator Niall Ó Brolcháin: They will still have shelter and housing. We can get through this crisis and it is important that we all believe this. We have to have a way through it, and the

[Senator Niall Ó Brolcháin.]

way Senator Dearey spoke about was looking at the Green Party agenda and the things we can do. It is quite clear that the Green Party new deal is something that will get not only Ireland but also Europe and the world out of the economic difficulties they are in. It is easy to state this is only an Irish crisis but it is not only an Irish crisis, it is an Irish crisis brought on by people across the water and by the world economy.

Senator John Paul Phelan: It was brought on by your banks.

Senator Niall Ó Brolcháin: We can get through it and we need to focus on that.

Senator Jerry Buttimer: I begin by reiterating the request for a debate tomorrow and for the Minister to come to the House. I wish the Minister well today in Brussels. This is about Ireland and about our people. As Senator Harris stated, it is not about a flag or sovereignty; it is about us as people. There must be no capitulation by us as people. We must stand for what we believe in, which is the Irish people and the Irish nation. The Minister has been wrong at every single turn. He has been wrong with every figure he has given. He has been wrong regarding the bank recapitalisation. He has been wrong and he has misled the Irish people and with him has the Government. Let us call a spade a spade.

The Irish people today are absolutely punch drunk. They are afraid, worried, concerned and they want to see leadership. Sadly, it is not coming from our elected Government. It is lacking and missing and this is the reality. The Irish people will rally to the cause if they are given the truth. The Government has lied at every opportunity, including as recently as last Sunday on radio. If it was as simple as abolishing State cars, abolishing the Seanad or bringing captains of industry into government it would be so easy, but it is not. It requires reinventing and reforming government and this is best served by changing the people at the Cabinet table and by changing policies. Above all, we must give the Irish people hope. We must give them an opportunity to dream of tomorrow and that tomorrow will be better than today. This can be done by us in this House and in the Dáil but it requires the Government to be honest. Tell the people the truth, not lies.

Senator Marc MacSharry: I join with others in calling for an early debate to discuss the prospective implications of tonight's meeting of the ECOFIN Ministers. Amidst the international media and market driven uncertainty, some facts remain exactly the same: the deficit is €19 billion, the budget will be on 7 December and irrespective of what is stated in the House today or what goes on in Brussels this evening the sun will come up for the Irish people tomorrow morning. As many Members on the other side of the House have stated, it is time that people are absolutely resilient and confident in their own ability to ensure that whatever needs to be done will be done. There is no question the level of uncertainty of recent times has been intolerable for all to contemplate and put up with. However, the energies of this and the other House must be focused on the contents of the upcoming budget. Rather than playing our part in maintaining and prolonging the international market and media-driven uncertainty, let us provide the leadership about which all Members have spoken and for which we all yearn and begin talking about how we, as representatives of the people, will ensure this House will play its part in making savings of €6 billion to meet the 3% target. It remains to be seen whether the liquidity crisis within the banking community and the international crisis for the euro will be dealt with tonight by a series of funds being made available to Ireland or whether they will be dealt with by means of an international fund to be made available to banks throughout the eurozone. The facts that remain in the control of the Members of these Houses have not changed, despite the irrational moves of the international markets as described in the recent

weeks by the head of the Central Bank. Rather than play a part in the frenzy throughout the day, let us focus on the things we can control.

On a more light-hearted note, it would be remiss of the Houses of the Oireachtas not to extend congratulations to Sligo Rovers and Shamrock Rovers for a fantastic display of soccer for the people to see. I am sure the Leader will send a message to Sligo Rovers.

(Interruptions).

An Cathaoirleach: That matter is not relevant to the Order of Business.

Senator Paschal Donohoe: I have listened with great interest to the contributions made from all sides of the House on what is a grave day in the country's history. We need to be clear, however, that victimhood is not a path to survival. I have heard some speakers blame the European Union and the media for what has happened, while others have blamed the private sector. None of these groupings has been elected to govern and lead the country; that is our responsibility. It is a privilege to do so if one is in government and our job if in opposition. It must be acknowledged that political choices made at home have caused this disaster, but it is also the case that political choices made at home can lead the country out of the crisis. It can still be done. Despite the gravity of the situation, in some ways, the truth is mundane. If a deal is done tonight or tomorrow morning, Ireland will be given time to sort out its difficulties. A solution will not be delivered today, rather the country will be given time. Those charged with delivering the solution are not the speculators, the media or the European Union and we should stop blaming these groups. We should grow up and accept that we are the people who will provide the solutions, rather than looking to others to do it for us.

Senator Cecilia Keaveney: I endorse Senator Marc MacSharry's comments. The issue to be dealt with is the upcoming budget and four-year plan. Senator Donohoe asked us not to blame others. Last week I raised the issue of the scarcity of energy resources across Europe by 2015. Ireland has a significant opportunity to provide wind and wave energy, yet this point was not reported in the media, not even on "Oireachtas Report". It is very important that the media help us to spread the message that Ireland is not a basket case, that it has a lot of potential. The four-year plan will show our potential to be a leader in the provision of cheap and environmentally friendly energy supplies from sustainable resources.

I ask for a debate next week, if possible, on another matter. I refer to a report of the Rape Crisis Centre which states 50% of those who report cases of abuse have been assaulted at home or by a person known to them. While there have been many sad reports on institutional abuse, it is important that we also address the issue of abuse other than in institutions. We must encourage people to come forward to avail of services which I note are integrated and co-ordinated North and South. This co-ordination was underscored by the Minister for Justice and Law Reform, Deputy Dermot Ahern, and by the Minister for Justice for Northern Ireland, Mr. David Ford, MLA, when he appeared before the Joint Committee on the Implementation of the Good Friday Agreement last Thursday.

I call for a debate on domestic violence. It is one thing to have economic pressures exerted from the outside but another to be subjected to forms of violence within the home, including financial and economic violence. It is a worthy topic to put on our agenda for next week.

Senator John Paul Phelan: I intended to speak on the banking crisis and the economy but Senator Donohoe anticipated my remarks. There is a terrible sense of fear among the public. Last night I attended a political meeting at which questions were raised about the safety of bank deposits. People are concerned about their children's future and keeping a roof over their

[Senator John Paul Phelan.]

heads. As previous speakers have noted, the people are resilient but there are actions which that need to be taken. I agree with Senator MacSharry that certain matters are within our control. Despite the terrible miasma that has come over commentators who claim it is the fault of the European Union, the media or someone else, we can take positive measures to address the situation.

The reality is that the European Union will be instrumental in helping us resolve our difficulties. As Senator Harris pointed out, now is not the time to wrap the green flag around us. While the slogan “ourselves alone” was meaningful a long time ago, we are a different country now. We need help and support from friends in all parts of the world, on the continent of Europe in particular.

Senator McFadden raised a number of questions about the single farm payment which is threatened with a significant reduction in the review of the Common Agricultural Policy. I do not make my appeal solely on behalf of farmers, even though I have been contacted by a significant number of farmers who face financial difficulties because they have not received payments, but also in the interest of rural businesses which depend on the income generated by the payment. Last week I was contacted by a school friend who set up a business several years ago. He has had to take out five figure overdraft to pay his preliminary tax bill because the majority of farmers in the area have not yet received their single farm payments. He was lucky to get an overdraft even though his business is successful. The other people who work in rural Ireland are also coming under pressure because of delayed payments. These delays can arise on flimsy grounds. One farmer in my area was denied a payment for six months because he wrote “barley” instead of “spring barley” on one part of his application form. That is bureaucratic nonsense and I ask the Government to ensure payments are made at the earliest opportunity.

Senator Camillus Glynn: Scarcely a week goes by when we do not hear about a young man being killed in a road accident. It is time this House held a serious debate on this matter because clearly something is amiss. I ask the Leader to arrange for the Minister for Transport, Deputy Dempsey, to debate the matter with us so that we can hear proposals and views from all sides of the House on how we might tackle this crisis. I ask the Leader to put this matter at the top of his agenda.

Senator Paul Bradford: I concur with Senator Donohoe regarding the approach which is now necessary. This House has been debating the country’s economic plight effectively, albeit perhaps without conclusion, over recent months and these debates must continue. I look forward to the Leader attempting to initiate a fuller debate during the week. As I have said previously, the politics of the blame game are now totally irrelevant. The blame game provides short-term satisfaction, but it does not supply long-term solutions. The Irish public has made up its mind about the dreadful mistakes made by the Government. All of us must work together to provide hope for the economic future of this country. I reiterate that as a society, we must develop as much consensus as possible to ensure a financial framework can be put in place in the December budget that will allow this country at least to begin the process of recovery.

I am concerned by the tone of what some people have said about the EU. This is not the time for a “little Irelander” approach to politics or to Ireland’s place and role in Europe. While we may have some difficulties with certain European decision-making, it should be borne in mind that Ireland, as a free and independent country, would not have enjoyed the economic success of the past 25 or 30 years without the support of the EU. We must work with Europe to try to work our way out of our current economic plight. The Oireachtas needs to be given sufficient time and space to debate the economic options we face. Solutions can and will be

found. They have been found previously. We need to debate the options we face in advance of the December budget with the Minister for Finance and the other Ministers who are responsible for economic matters. We have a duty to try to instil and demonstrate confidence. We need a more substantive debate at the earliest opportunity.

Senator Rónán Mullen: We all wish the Minister for Finance the very best at the ECOFIN meeting. While we acknowledge the many good things our membership of the EU has secured for this country, it is only honest for us to note that we are dealing in some cases with forces that do not have our best interests at heart. At a time when we are not borrowing and we have sufficient funds to last until next June, why are we suddenly coming under pressure to take the bailout route? I was struck by a point made by a commentator to the effect that when we had our own currency our banks were assisted by our Central Bank, but now we are depending on the European Central Bank. While I accept the European Central Bank has been putting money into our banks, I suggest that it needs to see this problem as its problem as well as our problem. We have already heard the comments of Chancellor Merkel, which could be considered to be unhelpful to our interests. We are famous for our negotiating ability. It will be important for Ireland to work with its allies and to push back against attitudes that might serve the interests of larger and more powerful countries in the EU, rather than assisting us in our immediate crisis.

As Senator Donohoe said, “despite the gravity of the situation” we must not forget the vulnerable in our society. Members will be aware of the priorities set out by Inclusion Ireland for people with intellectual disabilities in its proposals for the forthcoming budget. It emphasised the need to avoid cuts in the front-line health and education services provided to people with disabilities and to improve the personal advocacy services set out in the Citizens Information Act 2007. We cannot afford to lose sight of such priorities. Any reduction in disability supports of any kind must be a last resort. In light of the waste involved in Irish politics and Government Departments — I refer to the inflated wages of some top public and civil servants, the massive proliferation of quangos, the gross overruns and unreasonable expenses associated with the tribunals and our willingness to throw good money after bad into our banking system — it is inconceivable that we have reached the last resort in expenditure cuts. The vulnerable should not be a viable economic target. We have to find a way to keep this issue front and central, even while recognising and working within the grave situation we have.

Senator Phil Prendergast: I would like to talk about a similar issue to that raised by Senator Mullen. I learned at the weekend about a HSE proposal to cull the mental health budget in the western area by 5%. I find this quite shocking given that the Minister of State with responsibility for mental health was in the House last week. We had a two-hour debate on mental health services and how the recession was impacting on people. We discussed various issues, including the 25% rise in the suicide rate. The development to which I have referred gives little comfort to people who have been affected by suicide. It is said that 20 people are affected by every suicide but I would say there are many more.

This represents a total abandonment by the Government of A Vision for Change. The Minister of State must come clean on this. Is it the intention to cut the mental health budget by 5%? What is the point of advertisement campaigns making people aware of mental health issues? It is paying lip-service to mental health services. There has been a total abandonment of treating the conditions. It is fully acknowledged that there is an increase in the need for mental health services in a recession when every waking moment is filled with fear and trepidation in regard to our financial situation. Could we have clarity on what will happen to mental health services?

Senator John Hanafin: Will the Leader request the Minister for Finance to address the House at the earliest opportunity on the outcome of the ECOFIN meeting? I am especially conscious that we are not in a vacuum and that we need to be very careful about what we say. The comments about sovereign default and the question mark over how we manage our economy do not serve us well because what we say is often misrepresented, particularly in the international press.

I am very conscious that those who wish to be responsible will see that the best way to show responsibility is by supporting the budget and the four-year plan. That plan will remain in place regardless of which parties form the next Government. Calls for an immediate general election are nonsensical at this stage. An immediate general election would lead to instability, the budget being rejected and the international markets reacting immediately. For five or six weeks after the general election, we would have the coalition polka where the Labour Party would step in, step out and step in again and, once more for the benefit of the left, step back out again before eventually stepping back into coalition. It would be ridiculous at a political level for people to call for an early general election. Similarly, we should be conscious that if the Donegal South-West by-election results in a Sinn Féin win, given its economic policies, it would be to the detriment of the economy of this country and of the euro.

Senator Feargal Quinn: People used to ask whether someone was in the GPO in 1916. Our descendents will ask those of us who are Members of both Houses where we were when this crisis occurred. Today is not a day for blame. It was interesting to hear people say let us avoid the blame game. Let us remind ourselves of the importance of what the Minister for Finance is trying to achieve tonight. He is trying to ensure control over the future remains in our hands as much as possible. Let us ensure we support that.

Let us look at what happened to Latvia. It ran into similar difficulties to us. It handed matters over to the International Monetary Fund and ended up with a 30% reduction in the number of public sector employees, a 30% reduction in public sector pay, 37 of 76 state agencies were closed, 17 hospitals out of 75 were closed, the teacher-pupil ratio was changed dramatically and there were increases in taxes. It solved the problem but it was not in their own hands. They did not make those decisions.

We have a problem which may or may not be our fault but let us stop talking about blame. Let us ensure we support those going into battle for us. Let us ensure when our descendents ask us where we were in these years that we say we were Members of these Houses and we were responsible for whatever decisions were made. Let us ensure we can look back knowing we did as good a job as we could do.

Senator Donie Cassidy: I join colleagues in wishing the Minister for Finance and his team well in his deliberations, probably well into late hours of tonight. Senators Fitzgerald, O'Toole, Hannigan, Boyle, McFadden, Ormonde, Norris, Ó Murchú, Healy Eames, Dearey, Coghlan, Ellis, Harris, Ó Brolcháin, Buttimer, MacSharry, Donohoe, Keaveney, Phelan, Bradford, Mullen, Hanafin and Quinn once again expressed their serious concerns about the events which have taken place in recent days. I join Senators who have confidence in the resilience of the people who are waiting to play their part in any way they can. The Houses of the Oireachtas has a duty to allay the uncertainty and the fear among some people and to make decisions as quickly as possible in the best interests of our people.

Ireland is a very small player in the European Union but it is a very strong country in terms of its total commitment to the European Union. We could not have a better ambassador representing our country than the Minister for Finance. It is a difficult situation and, as has been said by colleagues, when the international gamblers and speculators enter the fray and

want to make easy money because Ireland is seen as a small player in the European Union, the European Union must decide for itself.

We all know the issues. The people, the entrepreneurs and those who have proved employment for a long time are ready and waiting for the banks to start to lend for good sound projects awaiting funding. The recovery will not be sustainable unless it is through employment.

Before the Order of Business, the party and group leaders and I discussed leaving time aside to allow Senators to express their concerns and views. We will leave time aside tomorrow after the tributes to our late colleague, Kieran Phelan, for a debate with the Minister or the Minister of State present. We have no difficulty sitting any day or night. No matter how much time is needed, every Senator will be given the opportunity to speak during these defining days when the decisions of the Members of the Houses of the Oireachtas will be made which will have ramifications for the coming years. Please God we will be in a position to make the right decisions and we will be thanked for them by generations to come. How many times have we heard about the decisions taken by the late Mr. Charles Haughey, Mr. Michael Mullen and Mr. Ray MacSharry in 1987 which gave us the vibrant economy we have had for the past 25 years or so? On the views expressed by Senators Ó Murchú, Ellis and Harris, I have taken note of those exceptional contributions on the matters about which I just spoke.

Senator Hannigan spoke about communities coming together in County Meath. I fully support his views in this regard and wish well the community which got together yesterday. I have been in Donegal South-West for the past few days and it was uplifting to see how the people of that county are addressing their problems and getting on with it. Their great strength is that of their communities.

Senator Boyle welcomed the release of Aung San Suu Kyi in Burma, which I fully support. She is a Nobel peace prize winner and spent 15 years under house arrest. I hope she will bring many opportunities and hope to the people of her country given the sacrifices she, like Nelson Mandela in South Africa, made. I hope she is as important a guiding light and an inspiring person. What she has done will certainly be appreciated and will change the people of her country in the future.

Senators McFadden, John Paul Phelan and other colleagues raised the issue of the single farm payment, on which I have received representations. I will give the House the up-to-date position on it from the Department on tomorrow's Order of Business.

Senator Ormonde spoke about the importance of having a debate on the IT industry, the challenges it faces and the opportunities that exist for its development. She said that as a food producing country, our food industry could be a world leader and it has achieved a great deal. I have no difficulty in having a debate on this matter. The Senator also called for a debate on third level education and on why some students are quitting courses in institutes of technology after completing the first year. I have no difficulty in arranging for the Minister to attend a debate on this matter.

Senator Norris asked that I contact the Minister for Foreign Affairs on a student issue he outlined to the House. I will contact the Minister's office after the Order of Business and report to the Senator directly on it.

Senators Dearey, Ó Brolcháin and Keaveney called for a debate on energy, our ability to be self-sufficient in meeting our energy needs and on the opportunities for development that exist in the sector for us as an island nation. I gave a commitment last week to have such a debate. As was outlined by the Senators, there is great potential and opportunities to develop this sector. It is where our future lies in terms of restoring our economy. This is one of the planks of our economic recovery to which we can look forward with much optimism and hope. I hope

[Senator Donie Cassidy.]

to arrange for such a debate very soon if it is possible with all the legislation that is due to come to the House.

Senator MacSharry congratulated his local team on winning the cup. I am a Shamrock Rovers supporter myself. It was an incredible game and four penalties were missed in the final analysis, but be that as it may, I congratulate the Senator and Sligo Rovers on winning the cup. It was a terrific game.

Sport is important in uplifting the spirits of our people. The Cathaoirleach was a keen sportsman and he led his county in the field of dreams in his time. Sport is as important for our people as is, as Senator Keaveney has often said, our music. It is important that people are allowed and able to celebrate and that they can return to the joys of celebration in this regard.

Senator Keaveney spoke about the Rape Crisis Centre report, abuse, domestic violence and all the serious issues she outlined to the House. I have no difficulty in arranging for such a debate.

Senator Glynn expressed his serious concern regarding road deaths and road accidents involving young males in particular. I have no difficulty in arranging for a debate on this matter at which the Minister, Deputy Dempsey, would be present in the House. I welcome the speed cameras which came into operation from midnight last night. The speed cameras represent the biggest spend in decades on making our roads safer. A total of 197 people have lost their lives on the roads this year to date. While that is a very high figure, when I was chairman of the Joint Committee on Enterprise and Small Business, of which Senators Leyden and Brady were members, more than 400 people a year died on our roads at that time. I am glad that the hard work of our committee has been taken seriously by the Department and the Road Safety Authority and that now we have the lowest number of road fatalities in more than five decades. That speaks for itself. I congratulate everyone involved and wish them well. I hope that common sense will prevail in this regard.

Senators Prendergast and Mullen called for a debate on mental health services, A Vision for Change and changes in the budget for mental health services. As we all know, no one is privy to what changes will be announced in the budget, but I have no difficulty in having a further debate on A Vision for Change, for which Senator Prendergast has called on many occasions.

Order of Business agreed to.

Agreement on Data Processing and Transfer: Referral to Joint Committee

Senator Donie Cassidy: I move:

That the proposal that Seanad Éireann approves the exercise by the State of the option or discretion under Protocol No. 21 on the position of the United Kingdom and Ireland in respect of the area of freedom, security and justice annexed to the Treaty on European Union and to the Treaty on the Functioning of the European Union, to accept the following measure:

the Agreement between the European Union and the United States of America on the processing and transfer of Financial Messaging Data from the European Union to the United States for the purposes of the Terrorist Finance Tracking Programme,

a copy of which measure was laid before Seanad Éireann on 20th July 2010, be referred to the Joint Committee on Justice, Defence and Women's Rights in accordance with paragraph (1) (Seanad) of the Orders of Reference of that Committee, which, not later than 30th

November, 2010, shall send a message to the Seanad in the manner prescribed in Standing Order 72, and Standing Order 74(2) shall accordingly apply.

Question put and agreed to.

Chemicals (Amendment) Bill 2010: Second Stage

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

An Cathaoirleach: The Minister of State, Deputy Calleary, is welcome.

Minister of State at the Department of Enterprise, Trade and Innovation (Deputy Dara Calleary): I am pleased to bring before the Seanad the Chemicals (Amendment) Bill 2010. The main purpose of the Bill is to meet EU obligations to implement and enforce certain EU regulations. These include the EU regulation on the classification, labelling and packaging of substances and mixtures, known as the CLP regulation, a replacement EU regulation on the export and import of dangerous chemicals implementing the Rotterdam Convention, and periodic technical amendments to these two EU regulations and to the EU REACH and detergents regulations. The Bill also includes some minor technical changes to the Safety, Health and Welfare at Work Act 2005.

It is important to be clear that this Bill is not about transposing EU directives. It is about providing an enforcement of framework for EU regulations. The provisions of those EU regulations, with which this Bill is concerned, are directly applicable in Ireland. We must comply with their provisions. We cannot change them by implementing legislation. The provisions of the Bill therefore relate only to measures necessary for enforcement.

Before considering the provisions of the Bill, it is worth considering the background to these new EU regulations. First, the EU CLP regulation was introduced into EU law on 20 January 2009. This had its origin in the UN globally harmonised system of classification, labelling and packaging of chemicals. It is useful to understand the aims of this United Nations system.

Some chemicals, from their production right through to their ultimate use, can be a danger to human health and the environment. All classes and ages of people can be confronted frequently with potentially dangerous products. Given the global trade in chemicals and the need to develop programmes to ensure their safe use, transport and disposal, it was recognised that an internationally harmonised system for classification and labelling would be desirable. Such an approach would facilitate the creation of national frameworks to control chemical exposures and protect people.

The globally harmonised system of classification and labelling of chemicals, otherwise known as GHS, was created to meet this need. GHS classifies chemicals by types of hazard. It generates harmonised templates for communicating hazards, including labels and safety data sheets. GHS seeks to ensure information on physical hazards and toxicity from chemicals is available in order to enhance the protection of human health and the environment during the handling, transport and use of these chemicals. The GHS also provides a basis for harmonising rules and regulations on chemicals at national, regional and worldwide level, an important factor for trade facilitation.

The EU CLP regulation is the EU's expression of that global system. As with the global system, the main aims of the CLP regulation are to help protect human health and the environment by determining which properties of substances and mixtures lead to classification as hazardous and by correctly identifying and communicating hazards. The changeover to the new rules will be phased and will fully replace the existing body of EU law in this area from June 2015.

[Deputy Dara Calleary.]

The first notable change will be the requirement on manufacturers and importers to reclassify their substances from 1 December this year. All substances placed on the market on or after 1 December will be required to be notified to the European Chemicals Agency within one month. I am informed that the European Chemicals Agency's feedback from industry predicts that the number of notifications could be 2 million or even more. Up to yesterday, the number already notified was 820,337.

It is very important for our industry to meet the CLP notification deadline. I reiterate that this means substances on the market on 1 December will have to be reclassified and notified to the European Chemicals Agency by 3 January 2011.

The European Chemicals Agency will maintain an inventory of all notified classifications. This inventory is one of the cornerstones of the CLP regulation. As well as the potential health and environmental benefits of the inventory, there should also be business benefits through improved trade flows throughout the European Union. The Health and Safety Authority has a dedicated help desk to provide information and assistance for manufacturers and importers in meeting their obligations.

It is worth noting the CLP regulation was intended to be incorporated in the enforcement framework of the Chemicals Act 2008, in line with the policy decision to streamline the regulatory framework for enforcement of certain European Union chemicals legislation. It was included within the scope of the regulatory impact assessment which was carried out in the context of the Chemicals Bill 2007. The public consultation undertaken at the time was positive on the inclusion of these EU regulations within the scope of the Chemicals Act. As the CLP regulation had not been adopted at EU level before the passing of the Chemicals Act 2008, it was not possible to include it within the scope of the Act. A further regulatory impact assessment was carried out in the context of the Chemicals (Amendment) Bill 2010. As the policy approach to the enforcement of such EU chemicals legislation has not changed in the meantime, the outcome of the 2007 consultation remains relevant.

The inclusion of the CLP regulation does not impose additional compliance costs on industry. The impact of the regulation was examined both at European Union and national level and by the then Joint Committee on Enterprise, Trade and Employment.

The second new European Union regulation concerns the export and import of dangerous chemicals. It replaces an EU regulation from 2003 and implements in the Union the Rotterdam Convention on prior informed consent. The aims of the convention are to promote shared responsibility and co-operative efforts in the international trade of certain hazardous chemicals, contribute to the environmentally sound use of these hazardous chemicals by facilitating information exchange on their characteristics and provide for a national decision making process on their import and export. The convention covers pesticides and industrial chemicals which have been banned or severely restricted for health or environmental reasons by parties to the convention. In the context of the EU regulation, this means dangerous chemicals and pesticides listed in the annexes may only be exported with the prior consent of the importer in the importing country. In addition to provisions relating to chemicals and pesticides listed in the annexes, the regulation also contains provisions that apply to all chemicals when exported. These provisions address, in particular, requirements on packaging and labelling as specified by EU legislation.

I will now outline the provisions of the Bill. The legislation, as published, was subject to one amendment by Dáil Éireann in section 4. Section 1 is a standard section and defines references to the "Principal Act" as meaning the Chemicals Act 2008. Section 2 contains technical amend-

ments to definitions in section 2 of the principal Act. These changes reflect the new European Union regulations being brought within the enforcement framework of the Act.

Section 3 clarifies the regulation making powers of the Minister in section 5 of the principal Act in relation to classification, labelling and packaging of chemicals. It permits the Minister's power to amend the Act, by regulation, for the purpose of giving effect to a European Union Act relating to chemicals. This is an important amendment as it will mean there will not be unnecessary recourse to primary legislation for the purposes of implementing changes to EU Acts within the enforcement scope of the Chemicals Act. In considering this section it is also important to note that section 36 of the principal Act provides that all regulations made under the Act must be laid by the Minister before each House of the Oireachtas.

Section 4 amends section 8 of the principal Act by providing for the competent authorities for the purposes of the CLP regulation, namely, the Health and Safety Authority, the Minister for Agriculture, Fisheries and Food in respect of pesticides and Beaumont Hospital Board in respect of receiving information relating to emergency health response, and by substituting Beaumont Hospital Board for the Minister for Health and Children as the competent authority for the purposes of receiving information relating to emergency health response under the detergents regulation.

The amendment to the published Bill by Dáil Éireann concerned the substitution of Beaumont Hospital Board for the Minister for Health and Children as a competent authority for certain tasks under the CLP regulation and the detergents regulation. These allocations of responsibility reflect the existing divisions of responsibility.

Section 5 amends section 9 of the principal Act to ensure co-operation arrangements apply also to competent authorities for the CLP regulation. Co-operation between competent authorities is a very important feature of the legislation.

The IDA has highlighted the extent to which the pharmachem industry in general is regulated. In its recent report, *Making it Happen — Growing Enterprise for Ireland*, Forfás identifies regulation as one of the key elements to the mix that should provide a supportive business environment for business to grow. The degree of regulatory compliance is one of the key measures in determining the competitiveness of an economy. The Chemicals (Amendment) Bill 2010 is designed to achieve such a positive regulatory environment for business. Putting in place such co-operation arrangements should contribute to a clear regulatory framework for business and allow us to make optimum use of resources, avoiding unnecessary costs for both the competent authorities and industry.

Sections 6 and 7 amend sections 14 and 15, respectively, of the principal Act. The amendment seeks to rectify weaknesses in the provisions of the Act which deal with improvement notices. This came to light as a result of a High Court ruling on similar provisions of the Safety, Health and Welfare at Work Act 2005. The Bill makes it clear that an improvement plan or a revised improvement plan prepared by an operator and submitted to an inspector must be adequate in the view of the inspector and must be implemented by the operator. It is important to rectify this matter if the section is to retain its usefulness and avoid the need for competent authorities to use more stringent enforcement powers. A similar amendment to the Safety, Health and Welfare at Work Act 2005 is included in the technical amendments under section 12.

Section 8 amends section 16 of the principal Act to make it clear that the power to issue prohibition notices applies in relation to enforcing European Union rules for the control of major accident hazards relating to dangerous substances. Section 9 amends section 29 of the principal Act to create offences for breaches of the CLP regulation and allow the penalties under section 30 to apply. Section 10 amends section 30 of the principal Act to increase the

[Deputy Dara Calleary.]

maximum custodial sentence on summary conviction from six months to 12 following the advice of the Attorney General.

Section 11 has the effect of including within the enforcement framework of the Chemicals Act purely technical amendments to the four EU regulations within the scope of the Act, as amended, namely, REACH, CLP, detergents and Rotterdam. This will keep the regulatory framework simple, avoid gaps in the legal basis for enforcement activities and avoid unnecessary demands on resources normally required in the preparation of regulations.

Section 12 makes technical amendments to the Safety, Health and Welfare at Work Act 2005, including completing the transposition of Directive 91/383/EEC supplementing the measures to encourage improvements in the safety and health at work of workers with a fixed duration employment relationship or a temporary employment relationship of 25 June 1991; clarifying the position on ministerial obligations to consult in the making of certain regulations; clarifying the provisions relating to improvement plans and revised improvement plans, as I indicated; and increasing the maximum penalties on conviction for summary offences from a fine of €3,000 and-or six months imprisonment to a fine of €5,000 and-or 12 months imprisonment.

Section 13 is a standard section, providing for the Short Title of the Bill, collective citations and commencement.

The chemicals sector is a key economic sector for Ireland and the European Union. In its recently published industrial policy document the European Commission notes that, as an intermediate goods industry and an integral part of the manufacturing value chain, the chemicals sector has an enormous potential impact on manufacturing industry as a whole. The sector can improve both the competitiveness and environmental performance of downstream industries through innovation in substances and materials. It is also key to finding solutions for the critical societal challenges facing us such as increasing use of renewable materials, increasing energy efficiency and reducing water usage. Given the central economic and societal importance of the sector, on the one hand, and its inclusion of substances that have the potential to cause serious and widespread damage to human health and the environment, on the other, it is vital that the regulatory framework for the sector is up to date.

The Chemicals (Amendment) Bill 2010 builds on the enforcement system of the Chemicals Act 2008. The purpose of the 2008 Act was to provide a clear regulatory framework for business aimed at ensuring high levels of compliance and increased co-operation between the various competent authorities involved in enforcement to optimise the use of State resources and alleviate unnecessary administrative costs to business. I commend the Bill to the House.

Senator John Paul Phelan: No more than the Minister of State I suspect, I am not an expert on the chemicals industry as such. However, its contribution to the economy is highly significant as it is worth almost 60% of our overall exports figure for goods each year. Members all are familiar with the significant role that many pharmaceutical companies in particular play in sustaining employment nationwide and as such this legislation is significant. Although Fine Gael will not oppose this Bill, I wish to make a couple of points not so much of a chemical nature but that relate to comments made by the Minister of State in the final paragraph of his statement in which he spoke of the regulatory burden. A couple of years ago, the Government of which he is part made a series of commitments to reduce the burden of regulation on businesses. Certain sectors of the economy in particular are subjected to a series of audits and inspections and the fear for certain businesses is that this measure has the potential for the

addition of a new layer of inspection on top of them, which would be a costly enterprise for most of the industries concerned.

As I noted, the chemicals sector in its most general sense contributes a significant amount to the economy annually and has potential for huge expansion and the Minister of State noted correctly that it is significant across the European Union. However, I am somewhat surprised by a point also raised in the other House by Deputy Bruton, namely, there does not appear to have been any regulatory impact assessment attached to the new regulations imposed both by the principal Act and this amending legislation. The Minister of State mentioned that the new classification, labelling and packaging, CLP, regulation that forms part of this Bill will not impose any additional costs on the Exchequer. However, there are and will be significant costs for those businesses that are involved in implementing these particular regulations. Fine Gael will not oppose the Bill because it makes sense to have a set of European standards and measures across the European Union that apply to chemicals. Everyone will agree this makes sense. In addition, and at this juncture in particular, one must ensure that everything possible is done to ensure the competitiveness of the chemical industry, in its widest possible interpretation, in Ireland. I am not satisfied that the Government through this Bill have done anything in that regard.

As I stated, a series of Government agencies and Departments is involved in inspecting different businesses, including the Departments of Agriculture, Fisheries and Food and Health and Children, HIQA and the Health and Safety Authority that the Minister of State mentioned. There is an element of overlap between all these inspections and they impose certain costs on the businesses concerned. If Ireland is to be competitive in future, one must ensure that unnecessary burdens are not being placed in some cases on industry here. I am not satisfied that the Government has given serious thought to that particular potential difficulty which is raised by this Bill. In his concluding remarks, the Minister of State might mention the lack of regulatory impact assessment in this legislation. A couple of years ago, the Government proposed a reduction of almost €500 million in the cost to business of compliance with both national and European regulation in Ireland. To date, approximately €20 million of that reduction in costs has been passed on to businesses. The Minister of State should indicate how the Government proposes to implement its stated position in order that businesses really see a significant reduction in the costs associated with reaching those particular targets as set out in this legislation or other legislative items.

The Minister of State mentioned in the original Act which was introduced a number of months ago in the Seanad. It dealt with the implementation measures for the Rotterdam regulation, which concerned the export and import of dangerous chemicals, the detergents regulation, which imposed a two-tier testing regime on the biodegradability of the active ingredients of detergent, as well as the REACH regulation that the Minister of State mentioned, which has the aim of protecting human health and the environment. While these all are highly laudable measures, they all are costly. They are not simply costly for the producer but on those who might ultimately be the receivers of these products. I do not believe that “consumer” is the correct word to use in this regard but I refer to those who purchase these products. Consequently, although the Minister of State has put on the record that the CLP regulation will not impose any cost on the State, it would be incorrect to interpret that to mean that it will not cost anything to implement, as it will. My difficulty is not so much that those costs are unjustifiable, because they may be so, but that the Government has not engaged in any way in explaining the justification for them. As I stated at the outset, there has been no regulatory impact assessment for the new impositions this Bill will place on highly important businesses within a sector that will be of great significance to our economic recovery, if we are to have one, over the next few years.

[Senator John Paul Phelan.]

Fine Gael will not oppose the Bill. In his concluding remarks, the Minister of State might refer to the absence of a regulatory impact statement and on how the Government proposes to reach its target of reducing costs associated with regulation to business by €500 million when, half way through the allotted period, it only has reached a target of a reduction in costs to date of €20 million.

Senator John Carty: I welcome the Minister of State back to the House. He certainly has been busy in bringing forward legislation or motions to this House. The Chemicals (Amendment) Bill 2010 is important because its main purpose is to meet European Union obligations to implement and enforce certain European Union regulations. These include the European Union regulation on the classification, labelling and packaging of substances and mixtures known as the CLP regulation, a replacement European Union regulation on the export and import of dangerous chemicals implementing the Rotterdam Convention, as well as other technical amendments to these two EU regulations and to the EU REACH and detergent regulations. There also are some minor technical changes to the Safety, Health and Welfare at Work Act 2005.

The Government is anxious, and it is of importance for our industry, to meet the CLP notification deadline. Many companies in Ireland employ graduates and manufacture a wide range of chemical and pharmaceutical products. Eight of the top ten companies in the world have operations in Ireland. They have spent much capital investment during the past year alone. Ten of the top-selling drugs are manufactured in Ireland. A total of €44 billion worth of product was exported in 2009, which constitutes more than half of total national exports and Ireland is the largest exporter of medicines in the world. A total of 25,000 people is employed by the Irish pharmaceutical and chemical industry, while another 25,000 are employed in the provision of services to the sector. As a huge proportion of those employed are third level graduates, it is of great importance to our economy.

The Minister of State is aware, coming from County Mayo, that “regulation” has become a dirty word in Ireland. When people hear the word, it means more red tape, bureaucracy and paperwork for companies. In future, both Houses should have ample opportunity to discuss the regulations and perhaps point a way towards employing more common sense, rather than reams of paperwork that have little meaning but great cost to business and industry. I acknowledge and realise there must be stringent rules where chemicals are involved. Coming from Ballina, the Minister of State is aware of the importance of regulating the manufacture and transportation of chemicals.

While I commend the Bill, I have one or two reservations about it. I note that the Health and Safety Authority will have a dedicated help desk to provide information and assistance for manufacturers and importers in meeting their obligations. I welcome this. With regard to section 4, will the Minister of State provide more detail about the responsibility of the Minister for Agriculture, Fisheries and Food for pesticide and detergent regulations?

Senator Feargal Quinn: I welcome the Minister of State who seems to have got into the habit of coming to the Seanad recently. I listened to his words, understand his view and support what he is trying to do. I hope the Bill which will implement EU regulations on the classification, labelling and packaging of substances, as well as other parts of the REACH directive, will bring legislation up to date and thus have the potential to create new business opportunities.

I am pleased the Minister of State has indicated that the legislation will not impose additional obligations on industry. I listened to Senator Phelan and agree that we should do our utmost to avoid placing unnecessary burdens on businesses, particularly in the areas of red tape and

regulation. This stifles business in general and entrepreneurship, in particular. We talk a great deal about avoiding regulation but doing it is difficult because every time something goes wrong people call for more regulation. This has happened in the banking sector and one can understand why, but more regulation means stifling the entrepreneurship we must encourage.

I understand the Minister of State is committed to reducing the regulatory burden on business by 25% by 2012. I visited Panama a number of years ago and people there told me they had set themselves a target of being a country that would encourage new businesses to set up. The countries with which they were competing were Singapore, Hong Kong and one or two others and they set about having the shortest time period for someone who wanted to set up a new business and they achieved it. It now takes only seven hours to complete the paperwork to set up a new business in Panama. While I am sure they have put regulations aside in some areas, they have achieved their target. What does the Minister of State think of introducing a sustainable employment test to block new regulations that would cost jobs? We may be more constrained when it comes to EU regulations, to which Panama would not be subject, but all new proposals should be subjected to a rigorous audit, a matter to which Senator Phelan also referred.

We should give businesses a chance to highlight where regulation has been poorly designed and suggest ways to improve it. In that regard, there was a recent Government initiative to get rid of legislation more than 100 years old. What about legislation passed in more recent times? Perhaps we need a system to reconsider all legislation hindering business and job creation. A number of years ago it was suggested all legislation should be reviewed after five or ten years. Is there a chance this will happen?

Some countries are much more emphatic about encouraging entrepreneurship and new businesses. I was interested to note that although the French Government had announced a carbon tax and was ready to impose it, the plan was dropped because it would have made French business uncompetitive if competing countries did not also have such a tax. As the proposed French tax did not arise from a European regulation, it was possible to drop it. However, we must be careful. We want to be good Europeans and adhere to EU regulations, but we must be aware of the challenges to businesses, particularly entrepreneurial and innovative businesses. Businesses must be aware of the new regulations. This month it was reported that it was estimated that a significant number of French manufacturers ran the risk of missing the 30 November deadline for companies to register substances of which they produced or imported more than 1,000 tonnes per year and all hazardous products, as they were unaware that the law applied to them. We may have this problem when it comes to the next deadline of 31 May 2013 for registration of substances of which companies produce or import more than 100 tonnes per year. Does the Minister foresee any problems with compliance with the REACH directive on that basis?

My experience is in the retail business, about which I will talk for a few minutes. The REACH directive is designed to gradually phase out potentially damaging chemicals from public use. However, it may often be forgotten that it also sets out transparency requirements to give customers the right to know if a hazardous chemical is actually contained in a product. A report published last month by the European Environmental Bureau, EEB, found that major European retailers such as Carrefour and Tesco were exposing their shoppers to harmful chemicals in consumer products such as children's pencil cases and shoes. The study found that many products contained high concentrations of chemicals listed as "substances of very high concern", SVHC, which are highly dangerous to human health as they have been proved to be carcinogenic and toxic. The report also states other retailers are breaching the law by failing to provide basic information on hazardous chemical content. Since 2008, consumers should have been able to get the name of a listed substance, with information on how to use it safely,

[Senator Feargal Quinn.]

within 45 days of the request and free of charge. However, half of the 158 information requests sent to European retailers by the EEB between April and August this year received no response. The report wanted to test the willingness of retailers to provide information. It also discovered that only 22% of the requests had received satisfactory answers that met the minimum legal requirements under the REACH regulations. The EEB states all citizens ought to be given full information on the properties of chemicals in the products they buy. A parent, for instance, should automatically be informed whether a pencil case for his or her child contains phthalates which can impair sexual development. Estimates suggest at least 2,000 substances currently fulfil the “substances of very high concern” criteria. However, nine years since the first evaluation and more than three years after implementation of the REACH directive, only 38 substances are officially considered as SVHC. The report warns that “the right to know is, therefore, severely limited in practice due to absence of political initiative”.

Can the Government do more to protect the citizen and the customer from harmful chemical substances? Should companies have a process in place for staff to respond to information requests and should there be a greater effort to track harmful chemicals in the supply chain? I would like to hear the Minister of State’s view on this aspect of the REACH directive.

The steps the Minister of State has taken are the correct ones. The Bill seems to be very involved when one first reads it but not when one gets into it and realises the steps we have taken. The Bill shows how necessary it is for us to be kept up to date and keep up to date if we are to adhere to the regulations which are very worthy but present problems on occasions. Regulations can make it less attractive for European manufacturers to compete on the world stage. Let us make sure that in trying to protect citizens we do not make ourselves uncompetitive.

Senator Phil Prendergast: I welcome the Minister of State. South Tipperary is rich in industries that have chemicals as their basis. These industries are big employers.

The Bill is, by its nature, technical. Its intention is to amend the Chemicals Act 2008 and meet certain EU obligations to implement and enforce certain EU regulations. These include the EU regulation on the classification, labelling and packaging of substances and mixtures; the replacement EU regulation on the export and import of dangerous chemicals, implementing the Rotterdam Convention; and periodic technical amendments to these two EU regulations and the EU REACH and detergents regulations.

Chemicals are important in areas such as medicine in which they are used to treat and reduce the number of diseases and agriculture in which they are used to increase crop yields. However, their use must be regulated and they should not be overused. Their toxicity should be tested and their impact on human health and the environment monitored. Therefore, it makes sense to have just one enforcement framework in place. I welcome the initiative in this regard.

The Bill proposes a number of minor amendments to the Safety, Health and Welfare at Work Act 2005 which include improving the display of notices in the workplace. This arose following a High Court case.

With this type of technical legislation which incorporates EU legislation into Irish law we are very dependent on departmental experts to get the detail right and cover all of the legal requirements adequately. As a result, we must ensure a support framework is put in place for businesses to examine the legislative framework and what it means for them and at the same time ensure the REACH guidelines do not impose unnecessary costs on the businesses concerned. I have every confidence that our officials will do a proper job in this regard.

Let me comment on sections 6 and 12. The former states improvement plans and revised improvement plans must be considered to be adequate and implemented. This makes obvious sense, given the subject matter of the legislation. Section 12 which is to be welcomed deals with measures to encourage improvements in the health and safety at work of workers with a fixed duration or temporary employment relationship. I welcome the Bill.

Senator Mark Dearey: I welcome the Minister of State. I noted and agreed with Senator Phelan's comment that it was important in these difficult times that competitiveness remained a priority. While the explanatory memorandum to the Bill acknowledges there is no cost to the Exchequer, it is important that the burden on business is kept to a minimum.

It is important to recognise that, when talking about chemicals, we are talking about materials that are extremely useful to us but which are also very powerful in the natural environment. If mixed with other substances in unrestricted circumstances, there can be a range of pollution effects and damage to wildlife and water tables.

Pollution effects have been legislated for through various directives, including the water framework directive. However, many of the legislative instruments are still mismatched against the REACH legislation. While the latter outlines the 1,000 or so chemicals that are available in Europe and the very hazardous chemicals available to industry and in domestic settings, there has been no proper assessment of the time it would take to phase them out. Chemical substitution is proceeding at too slow a pace. The announcement in May by the EU Commissioner for the Environment, with the EU Commissioner for Industry and Entrepreneurship, Mr. Antonio Tajani, agrees to the potential phasing out of over 100 chemicals. However, the timeframes are not tight enough and the intent is not expressed seriously enough. The substitution of many chemicals is possible and this is where the drive needs to occur at European level. In the meantime we need to legislate for the chemicals on the market which number well over 1,000. The Bill largely updates the Chemicals Act 2008. The Minister of State has outlined the various updates and did so in a perfectly clear way. The Bill comprises an important legislative tool to control the use, storage, labelling, identification and classification of chemicals.

There is a wider picture to be addressed. It concerns how we deal with the most hazardous chemicals in the longer term. Some such chemicals are still released into the environment, sometimes through agricultural use and sometimes through the control of aquatic lice, for example. Many such chemicals have unestablished and unproven long-term consequences. Given the commitment to the precautionary principle throughout European Union legislation, we need to treat some of the more serious and hazardous chemicals as substances that ought to be substituted or phased out completely. I understand from Greenpeace that, if we proceed along the current trajectory, it could take up to 100 years to phase out the use of hazardous chemicals, in spite of the possibility of substitution if there were sufficient will and research in this area.

I welcome the Bill and regard it as helpful in the management of the substances in question, most of which are critical to production processes in modern Irish industry and for domestic and small business uses. I do not wish to increase the burden on businesses but believe it is important to put down a marker that points to the fact that managing the most hazardous chemicals is only a first step and that phasing them out is ultimately desirable. We need to pursue the aim of complete substitution of the most toxic and noxious chemicals over time.

Senator Joe O'Toole: I welcome the Minister of State and the legislation which I consider to be progressive, forward thinking and extraordinarily necessary. I take issue with some of the views expressed to the effect that the legislation might present a difficulty for producers or industry. People, especially politicians, should recognise that the chemicals industry employs

[Senator Joe O'Toole.]

almost 30,000 people. The Minister and Senator Carty realise the importance of the industry to their county.

The reason the chemicals industry continues to grow in this country and is responsible for approximately 10% of gross domestic product is there is confidence therein because of regulation. With respect to my friend and colleague, Senator Quinn, he should note that the running of the industry in Panama is such that there would not be the same market for its products outside the country as in it. This is a very important point to remember. Far from coming in the way of entrepreneurship, properly organised regulation enhances confidence in the industry, makes entrepreneurship more effective and the industry more acceptable. It becomes more acceptable on many levels, which points to the importance of the REACH regulation. Regulation is important to those living in the area of production. They want to know that all of the work is being done to the highest level of safety in laboratory conditions.

I am sure the Minister of State and Senator Carty know exactly what goes on in the chemicals industry. Every chemicals industry I know of in Ireland has its own reservoir and, where it is making medicines, it uses its own filtered, treated and distilled water in laboratory conditions. No conditions are accepted other than laboratory conditions. That is the effect of regulation. Were it not for regulation, we would not be able to sell our products. Not only would we not be able to sell them in Irish pharmacies and veterinary suppliers and to the Irish food industry, we would not be able to sell them in any other country.

Even as we are debating this Bill, there are those in the chemical industry who are extremely conscious of the fact their premises could be visited by an official from the Department as early as tomorrow or that they could be contacted by telephone and informed that an audit of their companies will be carried out on Tuesday next or whenever. Those to whom I refer are also aware that this could lead to their factories being closed, all staff being laid off and production brought to a halt as a result of the proper procedures not being observed. That is the pressure which exists on both sides. However, the procedures that apply are in place to ensure that everyone, including end-users and — if another industry is involved — those in the middle of the chain, is protected. They also ensure protection for Irish products which are sold abroad. The audit regulation, which incorporates the REACH directive and other directives, is acceptable throughout the global marketplace.

I become extremely bothered when I am obliged to listen to a debate in which people state that legislation such as that which we are discussing is something of a nuisance. Such individuals inquire as to whether this type of legislation gets in the way and whether a regulatory impact assessment is really required. I suspect the reason there is no such assessment is because provisions in the Bill go far beyond anything that would normally be required in the context of a regulatory impact assessment. I read the previous Government's White Paper on this matter, which I welcomed at the time and which I still welcome, some five, six or seven years ago. People should recognise how the chemical industry functions. They should also recognise the risks, gains and requirements involved. They must be aware that establishing operations in this industry is not similar to setting up a corner shop. Huge demands are placed on those involved.

Some of those in the industry and certain commentators and consultants have stated that the problem with the EU's REACH directive is that it will add between 4% to 15% to the cost of production. Let us place that matter to one side and state that it is a pity. However, if one considers the other aspect, one realises that with the directive those in the industry might not be in a position to sell their products. One difficulty with a product from this country could cast a doubt over 10% of our gross domestic product. That is the scale of what we are discussing. It would be a pity if politicians, above all others, did not realise that. Most people in this House

do not see the connection between that and employment, unemployment, marketing, exports and economic growth.

Our focus must be on ensuring we get the type of legislation that is before us right. I compliment the Minister of State and the Department on drawing up the Chemicals (Amendment) Bill 2010. It is a complex and awkward measure. The Minister of State and the Department received little encouragement from those in the industry who should have been providing leadership in respect of this matter. Industry leaders and commentators should always be the first to consider issues of this sort.

It is worth remembering that we have been listening to people refer to regulation stifling development for ten years. In the context of the banks, it is this type of argument that got us into the position in which we now find ourselves. What we need is to develop regulation that is correct and that is properly weighted and costed. Such regulation should be costed not just in financial but also economic terms. Do people realise the importance of the chemical industry to the country? We discovered at the weekend that if people want to take a shot at us, they will do so if it suits them. If the Germans are the major holders of Irish bonds and if they want money to be obtained in order that they can be paid off quickly, surely there is a conflict of interest. The position is the same in respect of the matter under discussion. If, despite the fact that they are our European friends and colleagues, those in the German chemical industry were of the view that they could put one over on us by stating that their regulation is more transparent, effective and acceptable, they would do so and we would then be in trouble.

Ireland must be a global leader in respect of this issue. That brings me to the point that we are above suspicion in that regard. Members might not believe it from what I have said to date but I am no great supporter of the chemical industry. All I have done is provide a hard, practical view on how I, as a public representative, a politician, a trade unionist and someone who is interested in protecting employment, perceive this matter. I wish we could live in a world where certain chemicals did not exist but it is not possible to do so. In the context of issues such as health, however, chemicals allow people to live longer, more safely and free of certain illnesses. The agriculture industry has also been assisted — in many and ever-changing ways — by the use of particular chemicals. The pesticide DDT is no longer used in agriculture but a replacement for this product have been developed. The fact that the agriculture industry is well regulated is the reason DDT is no longer in use. The product which replaced DDT is not a carcinogenic and is, therefore, safe to use. We must welcome developments of this nature.

I welcome the provisions in the Bill which relate to the biodegradability of detergents. However, I would go the whole hog in respect of this matter. Detergents can be the cause of major difficulties. They give rise to greater problems than any other products. We tend to become worked up when we discuss sewage outlets and the damage they can cause. When I hear people discuss this matter, I often wonder whether they were ever obliged to use rods to unblock pipes. I am of the view that unblocking a sewage outlet is far less likely to encourage one to vomit than trying to unblock a pipe through which the residue from detergents flows. The waste which emerges from the latter kind of pipe is an absolute pollutant.

Of all the towns in Ireland, that in which the Minister of State lives is dependent on a clean river. The salmon fishing industry which operates out of that town is dependent on that river being clean. I have stated on many occasions that retail outlets located within five miles of the Shannon or any other decent river should only be allowed to sell domestic detergents such as washing up liquid, bathroom detergents, washing powder etc. that are biodegradable. There should be no detergents on sale throughout the entire country other than those which are biodegradable. I acknowledge that such detergents are marginally more expensive to buy. If,

[Senator Joe O'Toole.]

however, people used only products of the kind to which I refer, it would do a great deal to improve water purity etc.

I will be supporting the legislation. I accept that I may not have discussed the detail of the Bill to the degree to which I should have done. My main point in respect of it is that this industry is of crucial importance to Ireland. Colleagues in this and the Lower House have failed to get that message. The Bill is not merely a mechanism for the transposition of an EU regulation, it relates to protecting jobs, developing exports and underpinning the 10% of GDP for which the chemical industry is directly responsible. The latter is what is at stake here and that is why the legislation is important. People should not wonder whether we are wasting our time dealing with matters of this nature. There is a need to introduce even more legislation such as that before the House.

Senator Terry Leyden: I welcome the Minister of State with responsibility for labour affairs and public service transformation, Deputy Calleary. I also welcome the introduction of the Chemicals (Amendment) Bill 2010. The Minister of State has been extremely active in ensuring that European directives are transposed into Irish law. It is important that we should comply in the context of such transposition, particularly as the issue of Ireland's stance in respect of EU legislation often arises at European Council meetings. Today is particularly important as far as Europe is concerned.

While the Bill is not long, it is certainly important and we should give due consideration to it. As the Minister of State indicated, the Bill's main purpose is to amend the Chemicals Act 2008 to ensure it meets certain criteria regarding European Union regulations on the classification, labelling and packaging of substances and mixtures, a replacement EU regulation on the export and import of dangerous chemicals implementing the Rotterdam Convention and periodic technical amendments to these two EU regulations and to the EU REACH and detergents regulations.

It is important to highlight why EU directives are being transposed into Irish law. The directives represent the EU's attempt to implement the United Nations globally harmonised system of classification, labelling and packaging of chemicals. Given the global trade in chemicals and the need to develop programs to ensure their safe use, transport and disposal, it was recognised that an internationally-harmonised system for classification and labelling would be desirable. Such an approach would facilitate the creation of national frameworks to control chemical exposures and, ultimately, protect the people we aim to serve. Ireland's acceptance of these changes is essential and I believe in supporting the pharmaceutical industries which operate from Ireland and which are helping us drive exports. Our exports must be in line with European Union and global standards and the Chemical (Amendment) Bill 2010 allows us do this.

I welcome a number of measures contained in this Bill. In particular, I welcome the creation of offences in section 9 which amends the original section 29 of the Chemicals Act 2008 for the breaches of the classification, labelling and packaging regulations. This section also allows for penalties to be imposed. The maximum custodial sentence has now been raised to 12 months. This is a justifiable increase in the sentence, especially given the seriousness of the issues concerned. Anyone who endangers society through the misclassification or fraudulent packaging of chemicals should face a period in prison, and it is important the matter is policed effectively. I welcome this development.

I note from the Minister of State's contribution in the other House in mid-October that the Health and Safety Authority has set up a dedicated help desk to provide information and assistance to manufacturers and importers to ensure they comply with the new regulations.

That is a positive move. This is an important service and I urge companies with concerns to make use of it.

Another aspect of this Bill is the European Union regulation concerning the export and import of highly dangerous chemicals. It allows for the implementation of the Rotterdam Convention which aims to promote shared responsibility and co-operative efforts in the international trade of certain hazardous chemicals to contribute to their environmentally sound use by facilitating information exchange about their characteristics and to provide for a national decision-making process in their import and export. These are important regulations.

The transportation of acrylic nitrate from Dublin Port across Ireland to Ballina would have affected the Minister of State's area at one time when the Asahi plant was in that area. We tolerated that situation because of the importance of jobs in his area and the same reciprocal arrangement should be made in the case of the distribution of our much needed gas off the west coast. We were prepared to co-operate fully with the Asahi plant in Ballina and I hope those on the west coast in the Minister of State's constituency of Mayo will ensure gas flows as quickly as possible. We need it very badly indeed. The protests put forward are legitimate, but I can assure the House that if the train carrying the acrylic nitrate product had blown up or crashed, the town of Roscommon would have been wiped out. That is how dangerous the chemical was and that is why this Bill is particularly important. It is an indication of how times have changed. As far as I am aware, we were not in support of the Asahi plant in Killala. It probably would have been better had the product been imported by sea to that plant but, nevertheless, I make the point that these regulations would cover that type of transportation of hazardous materials. The Bill is bringing them up to date. As Senator O'Toole stated, all of these chemicals involve certain dangers.

This Bill brings us in line with European Union thinking and European Union regulations. That is why the Minister of State has given the matter priority in the Department to ensure these regulations are brought in to legislation. It is something that has been criticised here, that we, not only Ireland but most of the 27 countries, are not moving. There are quite a number of European Union regulations that have been agreed by the Commission and the Parliament but have not been brought into Irish and other law. The Minister of State is doing an excellent job in bringing this forward today. I commend the Bill to the House and I hope it is unanimously adopted.

Minister of State at the Department of Enterprise, Trade and Innovation (Deputy Dara Calleary): I thank the Senators for their welcome. I want to update the House on what has been happening since the enactment of the Chemicals Act 2008 and I will deal with the various queries that have been raised.

Since the Government designated the Health and Safety Authority, HSA, as the lead authority for REACH in Ireland, it has created an incredibly professional operation. It recruited a team of 33 staff embodying a range of scarce and technical expertise. That team has assisted Irish industry to meet the demands of the new REACH framework as well as setting up an inspection and monitoring regime required by that framework. The HSA chemicals operation has earned widespread respect from industry as well as the respect of its peers across Europe.

The first deadline for REACH was what was called pre-registration, and that occurred in December 2008. Under the initial REACH pre-registration process, there were more than 2.7 million pre-registrations of in excess of 143,000 substances by more than 65,000 entities across the EU. The maximum number of pre-registrations that had been anticipated originally was about 300,000. In Ireland, in excess of 97,000 substances were pre-registered for REACH by more than 3,200 legal entities representing approximately 240 companies.

[Deputy Dara Calleary.]

In the chemicals area, in 2009 the HSA completed 1,513 inspections, including almost 1,200 specific REACH inspections, and 472 inspections of all major accident hazards sites covered by the 2006 Seveso regulations and other high-risk workplaces storing and using large quantities of dangerous chemicals. EU obligations also require the HSA to inspect all 86 Seveso — major accident hazards — sites in Ireland, which it achieved. A memorandum of understanding was progressed between the HSA and other agencies, including the Environmental Protection Agency, An Bord Pleanála, the Department of Agriculture, Fisheries and Food, and Customs and Excise. Support for industry, through the dedicated REACH and CLP help desk, answered 470 detailed queries in 2009 and hosted of two seminars and presentations at several conferences and industry meetings on the requirements of REACH and CLP. I give the House these figures to show the engagement of the HSA and its chemical section, and the officials of my Department, with industry on this much regulated area. There is a willingness to engage to assist them to implement this EU legislation.

On the concerns raised by Senators Phelan and Quinn about the regulatory impact assessment, RIA, I again emphasise that as far as classification, labelling and packaging, CLP, is concerned, the legal basis for the enforcement of the CLP regulation was the 2008 Act. That is why the CLP was addressed in a regulatory impact assessment for the draft heads of the Chemicals Bill 2007. The CLP regulation was not included in the Act as it had not yet been adopted at EU level. None the less, the Attorney General advised at that time that the Chemicals Act 2008 needed to be amended to accommodate the new regulations and a further RIA was carried out. The RIA is published on the Department's website. The inclusion of CLP and the new Rotterdam regulation does not impose any additional compliance costs on industry. It is also important to note that separate impact assessments were carried out on the content of the EU regulations directly applicable, and the then draft EU regulations were considered at various stages, including by the relevant committee.

Senators Phelan and Quinn spoke about reducing red tape, and we are committed to doing that in the Department. We are specifically focusing on health and safety law, unemployment law and company law. In health and safety law, last week I chaired a seminar of all interested groups, from industry to worker representative groups, on how we can do so without undermining the basis of the protection offered by that legislation. We are also doing much work on employment law and company law. Simplification plans are being prepared for each of the areas involved. As I stated, there is a series of workshops in place and we hope to bring forward specific proposals early next year.

Senator Quinn raised concerns about substances of high concern in articles. This was also raised by Senator Leyden. The REACH regulation sets out the rules relating to giving consumers information. If there are gaps in compliance in that information, the Health and Safety Authority is equipped to deal with them and they should be brought to its attention.

Senator Carty asked about the role of the Department of Agriculture, Fisheries and Food. The naming of the pesticide control services in the Department reinforces its existing role in this area. It has maintained this role and it is an area on which it is particularly focused, with the Minister being designated as the national authority for the purposes of the Rotterdam regulation.

Senator Dearey spoke about a range of substances. More than 100 substances were identified earlier this year by the Commission for consideration as candidates for authorisation under REACH. These will be subject to appropriate scrutiny by the European Chemicals Agency experts who will involve the Health and Safety Authority in this process. The risk assessment and economic perspectives will be considered.

There were many queries and concerns about regulation. I appreciate Senator O'Toole's comments and I am certainly interested in pursuing further with Senator Quinn his proposals on employment impact assessments. The last thing we want to do in implementing regulations is to cause unemployment.

I thank Senators for their attention. It is proposed to take Committee and Remaining Stages on Thursday.

Question put and agreed to.

An Leas-Chathaoirleach: When is it proposed to take Committee Stage?

Senator John Carty: On Thursday.

An Leas-Chathaoirleach: Is that agreed? Agreed. Committee Stage ordered for Thursday, 18 November 2010.

An Leas-Chathaoirleach: When is it proposed to sit again?

Senator John Carty: Tomorrow at 10.30 a.m.

Adjournment Matters

Schools Building Projects

Senator Niall Ó Brocháin: I am delighted to welcome the Minister of State to the Chamber.

I want to make the case for the provision of a secondary school in Claregalway which is urgently needed. There are constant traffic problems in the area, as well as problems with sewerage. The population of the area has grown enormously in recent years and one of the problems is that there is no secondary school in the locality. I believe there are more than 1,100 primary school pupils within a short radius of the town and that if one moves out a little further there are up to 1,800 primary school pupils. There is a clear view among local people and politicians across the political divide of the need for a secondary school and the issue has been placed before the Minister for Education and Skills.

5 o'clock

Much work has been done by local people to provide a framework for such a school. Unfortunately, many local people have to travel up to 20 miles or 30 miles a day to bring their children to school and the time taken to travel presents a problem. This has a big impact on schools in Galway city approximately eight miles away, Tuam and Oranmore, on which it is placing a huge burden. It is no secret that at one stage Galway was the fastest growing city in Europe and the growth level is still huge. Claregalway is a small outlying town, but when I say "small," it is expanding rapidly.

There is a clear need for a secondary school. The town ticks all of the right boxes with regard to transport, etc. The issue of patronage has been largely resolved locally. From a political point of view, it is imperative that the project proceed urgently because a crisis is developing in school accommodation throughout the county. Existing secondary schools are growing to such a size that they will find it difficult to cope. In certain schools in Galway city, for example, children are not being taught in classrooms but in corridors because the schools in question are being forced to expand to meet demand.

The solution is to provide a secondary school in a central location which pupils could attend without having to travel huge distances. I would like to see the support structures for such a

[Senator Niall Ó Brolcháin.]

school being put in place to encourage people to avail of sustainable transport methods in order that children from the area could walk or travel to school by school bus or bicycle. A bus lane was created nearby recently. If this could be done, it would have a number of positive effects. It would cater for the needs of the community, particularly local children. It would also sort out the many transport problems in the area, provide a good community hub and a focal point for the expanding community in Claregalway. It would have benefits for the wider region, including a positive impact on traffic volumes in Galway city.

There is much to be said in making the case for the provision of a secondary school and very little to be said against it. I, therefore, ask the Minister of State to make it an urgent priority on the list of schools receiving attention in the Department of Education and Skills.

Minister of State at the Department of Education and Skills (Deputy Seán Haughey): I am taking this matter on behalf of my colleague, the Tánaiste and Minister for Education and Skills, Deputy Mary Coughlan.

I thank Senator Ó Brolcháin for raising the matter as it affords me the opportunity to outline to the Seanad the position in regard to the process for the establishment of new post-primary schools in general and in particular the request for a new secondary school in Claregalway, County Galway.

The most recent projections used by the Department would see the projected enrolments at post-primary level increase from the current total enrolment, excluding PLCs, of approximately 312,200 pupils to an expected enrolment of between 331,500 and 336,600 pupils by 2017.

It is within this context that the forward planning section is in the process of analysing all areas in the country in order to determine the level of additional provision which will be required at post-primary level up to 2017. Overall post-primary requirements in the Claregalway area will be considered in this context.

In July of this year the Tánaiste announced a significant reform of the process for the recognition of new second-level schools. The new framework to be established will involve the setting out of clear criteria against which new second level school applications will be assessed and will increase the transparency of decision making, with the establishment of a small expert group to advise on second-level patronage applications. The Tánaiste plans to establish this group shortly and to seek their input prior to the finalisation of detailed criteria and procedures.

As the Senator may be aware, primary schools in Claregalway feed into the Galway city post-primary feeder area. In January 2008, the commission on school accommodation published an area development plan for south Galway, 2007-12, which made reference to Claregalway. I refer to a summary of the recommendations for Claregalway:

The Commission recommends that house building and enrolments at Claregalway should be closely monitored by the Department of Education and Skills and that a site should be identified and acquired for a post-primary facility that would accommodate approximately 600 students. This school is likely to be needed by circa 2016.

Officials from the forward planning section of the Department met with members of the Claregalway second-level school parents committee on 15 October last to discuss matters with regard to the request for a new second-level school. Department officials outlined the work currently being carried out by the forward planning section in regard to determining future needs in this area. The progression of all large-scale building projects arising from forward planning section's detailed analysis will be considered in the context of the Department's school building and modernisation programme.

It should also be noted that a new post-primary school for 650 pupils has been approved for Doughiska, on the east side of Galway city. This will ease pressure on post-primary provision in the Galway city catchment area, in particular areas on the east and north east of the city. This is one of eight schools which were approved for inclusion in the third bundle of schools to be procured via public private partnership. It is anticipated that the schools will be ready for occupation in summer 2013. I thank the Senator the opportunity to outline to the Seanad the position in regard to the establishment of new post-primary schools generally and in particular the request for a new post-primary school in Claregalway, County Galway.

Senator Niall Ó Brolcháin: I ask for a clarification regarding the Minister of State's reply which states, "It is anticipated that the schools will be ready for occupation in summer 2013". Is this a reference to the school at Doughiska or does it also refer to the proposed school at Claregalway?

Deputy Seán Haughey: I understand it is not a reference to Claregalway but I will ask for clarification for the Senator.

Senator Niall Ó Brolcháin: There is an urgent need for a school. The local people who have children in very difficult situations need clarity on when the proposed school will be available. I ask the Minister of State to clarify what will be the earliest possible date for the opening of the school.

Foreign Conflicts

Senator Paschal Mooney: With the agreement of the House I wish to share time with Senator James Carroll.

An Leas-Chathaoirleach: Is that agreed? Agreed.

Senator Paschal Mooney: In the absence of the Minister for Foreign Affairs, I welcome the Minister of State, Deputy Seán Haughey. The objective of this matter is to establish the current position of the Irish Government regarding the Brammertz report to be laid before the United Nations in December which reports on the efforts of the Serbian Government to arrest two significant war criminals who have been indicted by the International Court of Justice at the Hague.

My specific interest is in General Mladic. At the beginning of this month, Serbian police forces carried out raids on three locations which have not been universally welcomed by military analysts in Belgrade and in the wider European Continent. It is being suggested that due to the imminent visit of Mr. Brammertz this week the Serbian Government yet again wished to be seen to be proactive in this regard. In fairness to the Serbian Government, I understand it has significantly increased the reward money leading to the capture of this war criminal, Mladic, and this may have been the reason the police search was carried out.

I am anxious to explore with the Minister of State the Irish Government's position regarding the Dutch parliamentary foreign affairs and European affairs committees which are strongly in favour of suspending any further discussions on Serbian EU membership until and unless the war criminals named, in particular General Mladic, are delivered by the Serbian Government. I appreciate the sensitivities of the Dutch in this regard as it was a Dutch contingent under the UN flag which failed to protect the people of Srebrenica in 1996, resulting in the massacre of almost 8,000 men and young boys. I understand why the Dutch are now anxious to be seen even more on the side of the angels than the rest of us. I do not wish to be ungracious to the Dutch parliamentary committees which have taken this position. I appreciate that Serbia is

[Senator Paschal Mooney.]

now led by a moderate government which must be given every encouragement, particularly against the ultra-nationalist forces which are still very active within the country.

It is also of concern to those who are following and monitoring developments in the Balkans. I pay tribute to Peter Walsh and Valerie Hughes in particular, who have been flying the flag in this regard for the Serbian issue, for the wider Balkans and for the protection of human rights and the orderly and political development of that region. There is concern that the future of Bosnia-Herzegovina is under threat because of the multi-ethnic nature of its Government and the existence of the Republic of Srpska and the fact that ultra-nationalist forces are working to undermine both the continuing existence of the state of Bosnia-Herzegovina and also the current Serbian Government. I ask, therefore, for a statement of the Government's position. I hope it would side with the Dutch in this regard. We have a proud record of human rights.

Senator James Carroll: I thank Senator Mooney for sharing time. This is a significant international and EU-wide issue that goes to the very heart and the basis of the European Union project. The Minister for Foreign Affairs, Deputy Micheál Martin, stated last August that Ireland would support Serbia's progress based on a positive assessment from the chief prosecutor of the ICTY regarding Serbia's ongoing co-operation. This is the key issue. The Serbian Government has not followed through on its proposals. The chief prosecutor, Serge Brammertz, has urged the European Governments to maintain pressure on Serbia. He stated that the non-arrest of Mladic would be the worst possible signal one could give to all future tribunals. It would give the signal to perpetrators that one can sit out international justice, that political interest is diminishing over time and that impunity prevails. I encourage the Minister of State to address that issue in his reply because if we allow Serbia's accession talks to progress unfettered, it will result in a stain on Ireland's reputation and the EU project.

Deputy Seán Haughey: I am taking this Adjournment matter on behalf of the Minister for Foreign Affairs, Deputy Martin. On 25 October the General Affairs Council decided unanimously to refer Serbia's 2009 application for EU membership to the European Commission for its opinion. This is a technical step and usually happens quickly following the submission of an application. The period for the formulation of that opinion has no specific timeframe, although the Commission's research on Serbia's application is likely to take several months and a report is not expected until the second half of 2011.

It is important to bear in mind that the Commission's formulation of its opinion on Serbia's application represents just one stage in a lengthy process. It is for the Council to decide at each stage whether to move the process forward. This decision must be made with the agreement of all member states.

At the General Affairs Council of 25 October, Ministers reaffirmed that the future of the western Balkans lies in the EU and reiterated that each country's progress towards accession depends on individual efforts to comply with the Copenhagen criteria and the conditionality of the stabilisation and association process. The Council also underlined that a constructive approach towards regional co-operation is essential and called for progress in the process of EU-facilitated dialogue between Belgrade and Pristina. The Council recalled that, in line with the political criteria of Copenhagen, full co-operation with the International Criminal Tribunal for the Former Yugoslavia, ICTY, is an essential condition for membership of the EU and that Serbia's full co-operation with the ICTY is required by articles 2 and 4 of the EU-Serbia Stabilisation and Association Agreement. The Council called upon Serbia to implement recommendations presented by the ICTY Office of the Prosecutor to the United Nations Security Council in June 2010 concerning Serbia's support in ongoing trials and appeals and Serbia's assistance in the key matter of the arrest of the two remaining fugitives, Ratko Mladic and

Goran Hadzic. In addition, the Council emphasised that at each stage of Serbia's path towards EU accession further steps will be taken only when the Council unanimously decides that full co-operation with the ICTY exists.

I share the widespread revulsion at the appalling massacres at Srebrenica and elsewhere during the war in Bosnia-Herzegovina and I, too, want to see the perpetrators brought to justice as soon as possible. Regrettably, as we know from experience elsewhere, including in this country, justice can sometimes take time to deliver. Serbia must do all in its power to ensure that Mladic and Hadzic are handed over to the ICTY.

We should acknowledge the substantial progress Serbia has made in the ten years since public outrage led to the end of the Milošević regime. Serbia today is a different place from the Serbia of Milošević because of the courageous decisions of governments in Belgrade since then. Over the past year in particular, we have seen a number of positive developments which demonstrate that Serbia's Government has moved away from the destructive politics of past decades. The positive developments this year include the handing over of the wartime notebooks of Ratko Mladic to the ICTY in May, the indictment in September of nine former paramilitaries by the country's war crimes prosecutor over the killing of ethnic Albanians during the Kosovo conflict, the joint visit by the Serbian and Croatian Presidents to Bosnia for the Srebrenica commemoration this July, the declaration by the Belgrade Parliament last March condemning the Srebrenica massacre, the appointment by Bosnia-Herzegovina in March of an ambassador in Belgrade for the first time in three years, and the joint EU-Serbia UN General Assembly resolution on Kosovo in September.

Serbia's Foreign Minister, Vuk Jeremic, will visit Ireland next Tuesday, 23 November. I understand he will have an opportunity to meet the Joint Committee on European Affairs during his visit. When my colleague, the Minister for Foreign Affairs, met him in New York in September, he emphasised the importance Serbia attaches to EU integration. He also underlined Belgrade's commitment to working with the ICTY and his Government's determination to secure the arrest of the two remaining indictees. He pointed out that of the 46 indictees, Serbia has handed over 43 while one committed suicide before transfer to The Hague. The most likely means of achieving the arrest of Mladic and Hadzic lie in a combination of encouragement and pressure designed to empower the progressive elements in Serbia. It is important we send a signal to the people of Serbia of our recognition of the positive direction their country has taken in the past decade. The EU will continue to insist at every step in this process that Serbia is co-operating fully with the ICTY.

Senator Paschal Mooney: On behalf of Senator Carroll and myself, I convey our deepest sympathy to the Minister for Foreign Affairs and his wife, Mary, on their sad loss. I can understand why he was unable to take this Adjournment matter.

I am somewhat disappointed that the Minister of State did not refer to the ongoing activities of Mr. Brammertz and the fact that he will be reporting to the UN in December. We have attempted to reflect his concerns in raising this matter. Notwithstanding the clarity of the reply, I would be grateful if the Minister of State could convey to the Department of Foreign Affairs our desire for the Government to indicate its attitude towards the reports being prepared by Mr. Brammertz.

Deputy Seán Haughey: I will bring the Senator's views to the attention of the Minister for Foreign Affairs.

Road Network

Senator Cecilia Keaveney: I wish to highlight a cross-Border issue of great importance to the people of the north west, namely, the N2-A5 link between Dublin, Derry and Letterkenny.

[Senator Cecilia Keaveney.]

Anyone who has travelled around County Donegal to support Senator Ó Domhnaill over the past few days will recognise the need to progress that road with as much speed as possible.

Considerable work has been done by the North-South Ministerial Council on this project and I acknowledge that a commitment has been made on funding. Discussions are now focused on the technical aspects of who pays what, where and why. Disputes have arisen with certain landowners on the project. I had the opportunity to attend public consultations concerning parts of the road.

It is important the Minister of State provides further clarity on the status of this project, either in his reply or through the Minister for Transport. When I raise the issue of the road from Dublin to Strabane and Ballybofey, I find that people speak about it in a partitionist way. They speak about the stretch from Aughnacloy to Derry but not the parts on either side. The Minister of State will probably tell me that the NRA is in charge of the rest of it and, therefore, we cannot discuss it. If this is a single project, there should be a consensus on how it should proceed because there is no point in allowing one side to advance more rapidly than the other.

Over the weekend, I spoke to landowners in Lifford who are confused about the level of detail and when things are happening. If that is the case in Lifford, I am sure it is the same along the other parts of the road located in the Republic. The NRA is not communicating with us to the same degree as appears to be the case for the A5. In the good times, employment growth was not very visible in my area, although a certain number of jobs were created in Letterkenny and we welcomed every job we got. I want to highlight the fact that since we developed our infrastructure, Project Kelvin has been commenced in the north west even though this has been a much more challenging time economically. Like most people, I do not have an idea of the detail of the project. If I was asked to give a detailed breakdown of what Project Kelvin entails, all I would be able to say is that €30 million has been invested to provide for high-speed data connectivity to America. That is as much as I need to know. A serious expression of interest that was submitted after the project was implemented has led to an application for planning permission in the Border area between Bridgend and Derry. It seems that similar progress on the job creation front has been made in Buncrana.

It is clear, therefore, that if we put the infrastructure in place, the jobs will follow regardless of whether the corporation tax rate is changed or equalised across the island of Ireland. The fact that the rate of corporation tax was better in Donegal than it was in Derry did not result in the same level of investment that exists now that Project Kelvin has been put in place. The road project I am raising is another example of necessary infrastructure. There is a need for high-speed road access from Dublin to Letterkenny and on to Bridgend. There is no reason we should not look for EU funding for such a project. Similarly, a railway service between Dublin and Donegal town is needed. At the moment, one can travel from Dublin to Belfast by rail and then take another train from the same station to Derry. We need a link. If a cross-Border element is needed, perhaps the Belfast line can be extended to Letterkenny or Bridgend. We should be looking at that. The railway infrastructure exists to bring one from Dublin to Derry. It just needs to be upgraded.

Access is key. There is a PSO route between Dublin and Derry. As things stand, the best way of travelling between the two cities is by air. I drive to Dublin week in, week out. If the level of detail we want is in the reply to be provided by the Minister of State, Deputy Haughey, that is fair enough. We have not got that level of detail so far. We are familiar with the generality of what is happening. We would like to get details of the timescales so we know when things will happen on the ground. We want to know how they will affect the A5-N2, which is a single road even though it is known by two names. I assume that even in these economically challenging times, the Minister of State will underscore the repeated commit-

ments that have been made with regard to the road. Perhaps that is a dangerous assumption. For the people of the north west, this road is the equivalent of the motorways that have been built throughout most of the rest of the island of Ireland.

Deputy Seán Haughey: I wish to respond to Senator Keaveney on behalf of the Minister for Transport, Deputy Dempsey. I thank the Senator for raising this issue. Under the March 2007 agreement between the Irish and British Governments on a funding package to support the restored Northern Ireland Executive, the Government made a commitment to provide funding of £400 million, or €580 million, as part of a roads investment package for Northern Ireland. This will contribute to the upgrading to dual carriageway status of the A5 road between Aughnacloy and Derry. The Government remains committed to this contribution despite the difficult economic situation. Its contribution will be made on the basis of the expenditure incurred during the development and construction phases. In this context, the drawdown of funding will depend on the achievement of agreed project milestones and clearance by the cross-Border roads steering group and the North-South Ministerial Council.

The A5 project was discussed at the transport sectoral meeting of the North-South Ministerial Council on 20 October last. At the meeting, the Minister, Deputy Dempsey, and his Northern counterparts agreed the new A5 project milestones and payment schedule that were approved by the cross-Border roads steering group earlier in the year. In addition, they noted that development work has been continuing on the project to meet the next key milestone, which is the publication of draft orders in November 2010. It is anticipated that such publication will take place this week. The Government's investment in the A5 project will support economic prosperity and development in Northern Ireland, and in the island as a whole, by improving cross-Border links and reducing journey times. It will facilitate access to the entire north west of the island, including Derry and Letterkenny. It will be to the mutual benefit of both populations and will improve journey times, access to markets and safety along the route. Tourism and trade will benefit from enhanced connectivity and accessibility. The A5 project is being implemented by the roads service in Northern Ireland. The procurement process has been completed. Contractors have been appointed to three sections of the route — first, between New Buildings and the south of Strabane; second between the south of Strabane and the south of Omagh; and third, between the south of Omagh and the Border at Aughnacloy. Construction is expected to begin in August 2012. The project's expected completion date is July 2015.

Regarding the N2, the Minister for Transport is responsible for overall policy and funding in respect of the national roads programme element of Transport 21. Under the Roads Acts 1993 to 2007, the construction, improvement and maintenance of individual national roads is a matter for the NRA, in conjunction with the local authorities concerned. The NRA is reviewing its investment plans for the national roads network. The review is taking place on the basis of a commitment in the renewed programme for Government. It will take account of the infrastructure investment priorities 2010-16 document, which was published in July this year. Senators will appreciate that progress on particular road schemes depends on the availability of funds within a significantly reduced capital budget. Significant improvements have been made on the N2 in County Monaghan, including the bypassing of the major towns of Carrickmacross, Castleblayney and Monaghan. These improvements have reduced congestion in the towns, significantly reduced journey times and provided safer roads.

It is important to highlight the opening of two other cross-Border roads on 20 October last. These projects have significantly improved cross-Border infrastructure. The two remaining cross-Border roads which were closed during the Troubles — at Knockaganny and Annaghroe on the Monaghan-Tyrone border — have been reinstated as a result of cross-Border co-oper-

[Deputy Seán Haughey.]

ation involving Monaghan County Council, Dungannon and South Tyrone Borough Council and Armagh City and District Council. The Government funded the replacement of the two bridges and the approach roads in County Monaghan, as provided for in the national development plan. The approach roads in Northern Ireland have been funded by the roads service in that jurisdiction. The restoration of the Knockaganny and Annaghroe bridges opens access to the communities between Monaghan, Dungannon and Armagh, allows for more economic and productive use of farmland in the areas they serve and reduces journey times between the natural hinterlands of Dungannon, Monaghan and Armagh. It will facilitate the re-establishment of the interdependence of the three market towns in question, which used to be accessed over these bridges.

Cross-Border investment initiatives of this nature, notably the A5 road project, have long-term benefits for the island as a whole. They help to enhance co-operation between both populations and improve economic opportunities for all. I am sure Senator Keaveney will tell me what I have failed to deal with in my reply.

Senator Cecilia Keaveney: I will. The Minister of State's comment that the two remaining cross-Border bridges have been reopened is inaccurate. I have mentioned a third road, Coney Road-Canning's Lane, on a number of occasions. The road in question is still closed. If it were opened, it would improve access between the communities of Muff and Culmore, which are on either side of the Border. Perhaps the Minister of State can ask the NRA to give me more details of its plans for link roads from the new A5 at Strabane to Ballybofey, and from the new A5 at Derry to Letterkenny. There is no point in the authorities on either side of the Border investing €500 million in this cross-Border route while ignoring the link roads from towns in the Republic to the new route. To do so would send a great message to the people of Donegal about their importance in the national scene. We have waited long enough for a dual carriageway, at a time when motorways were being built elsewhere. It is vital that the NRA does not abandon us while it talks about financial constraints. We should be the financial priority at this point. I hope the Minister of State can convey that message to the NRA.

Deputy Seán Haughey: I will do that.

The Seanad adjourned at 5.30 p.m. until 10.30 a.m. on Wednesday, 17 November 2010.