



# SEANAD ÉIREANN

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*Dé Céadaoin, 8 Feabhra 2012.*  
*Wednesday, 8 February 2012.*

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Chuaigh an Cathaoirleach i gceannas ar 10.30 a.m.

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*Paidir.*

*Prayer.*

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## **Business of Seanad**

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

The need for the Minister for Public Expenditure and Reform to give an update on the plans for the provision of a public playground at the Battle of the Boyne site in Oldbridge, County Meath.

I have received notice from Senator Deirdre Clune of the following matter:

The need for the Minister for Justice and Equality to ensure that the shortfalls, identified in the report of the Garda Síochána Inspectorate into the force's investigation of sexual offences against children are eliminated.

I have received notice from Senator Mark Daly of the following matter:

The need for the Minister for Social Protection to make a statement on any evaluation carried out by the Government prior to introducing the new redundancy payment arrangements.

I have received notice from Senator Trevor Ó Clochartaigh of the following matter:

Go ndéanfaidh an tAire Iompair, Turasóireachta agus Spóirt soiléiriú maidir leis an stádas atá ag an maoiniú atá tugtha ag a Roinn d'Aerfort na Gaillimhe.

I have received notice from Senator Colm Burke of the following matter:

The need for the Minister for Health to outline when it is proposed to have the European Union directive on cross-border health care transposed into Irish law.

I have received notice from Senator David Cullinane of the following matter:

The need for the Minister for Jobs, Enterprise and Innovation to outline the need for balanced regional development and for the Government and enterprise agencies to ensure that the recently published Forfás jobs plan delivers for the south east.

I have received notice from Senator Jim Walsh of the following matter:

[An Cathaoirleach.]

The need for the Minister for Education and Skills to make a statement on how which he intends to address the concerns expressed by the new president of the American Chamber of Commerce Ireland, regarding the fall of six of our seven universities, in the *Times Higher Education* world university rankings.

I regard the matters raised by the Senators as suitable for discussion on the Adjournment. I have selected the matters raised by Senators Byrne, Clune, Daly and Ó Clochartaigh, 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 Maurice Cummins:** It is proposed to take No. 1, Health (Provision of General Practitioner Services) Bill 2011 — Second Stage, to be taken on the conclusion of the Order of Business and to conclude not later than 1.45 p.m. with the contribution of group spokespersons not to exceed eight minutes and those of all other Senators not to exceed five minutes, and the Minister to be called on to reply to the debate not later than 1.35 p.m.; No. 2, Energy (Miscellaneous Provisions) Bill 2011 — Second Stage, to be taken at 3 p.m. and to conclude no later than 5 p.m. with the contribution of group spokespersons not to exceed eight minutes and those of all other Senators not to exceed five minutes, and the Minister to be called on to reply to the debate not later than 4.50 p.m.; and No. 17, motion No. 7, Private Members' business, to be taken at 5 p.m. and to conclude not later than 7 p.m.

**Senator Darragh O'Brien:** On behalf of the Fianna Fáil group I absolutely condemn the brutal murder of a 16 year old girl last night in Tallaght. This type of crime is all too prevalent in our society. Another young lady was seriously injured. I wish the Garda success in its investigations — it will have the full support of this House and no doubt of the whole Oireachtas. It was a brutal crime and should be roundly condemned. I pass on our deepest sympathies to the family that has lost someone whose young life has been cut short.

Yesterday we had a one-hour debate on the new fiscal compact. While the business of the House was agreed yesterday and we have tried as much as possible to assist Government in having proper debates, everyone will agree an hour was wholly insufficient — I believe even the Minister of State, Deputy Creighton, agreed. She had no opportunity to respond to questions. We need to consider the length of time a Minister is allowed to contribute — that is no reflection on the Minister of State, Deputy Creighton, who was anxious to respond. I know another Minister was waiting to come into the House but I say this given that for the first three weeks after we came back in January we had only two sitting days. The House should set aside a full day to debate the fiscal compact in order to go through each section of the agreement.

The Minister of State and some Senators on the Government side have accused us of scare-mongering — I restate that my party is a pro-Europe party and has always been. Even prior to the publication of the Government's Bill, the compact should be discussed at length. I do not mind whether the Minister of State, Deputy Creighton, is in the House for that debate, but we, as Senators, under the Lisbon treaty have the right and duty to scrutinise EU legislation. I have raised this matter repeatedly, as have Members on the other side of the House. In 12 months this House has not scrutinised one piece of European legislation. I would also say that we did not do so prior to that. It is a stain on both Governments since the passing of the Lisbon treaty. That should be core and central to what we are about here.

Yesterday the Minister of State indicated she would be more than happy to come back to the House to answer the questions we are asking and I am very pleased to hear that. When

will that happen? I again ask the Leader to set aside at least a day to go through the new fiscal compact, the new EU treaty, prior to the Bill being published so that we can discuss the implications, both positive and negative and see all sides of the argument. When will this Chamber start scrutinising EU legislation and directives? We have the time to do it and I think the Leader will agree we have the expertise on all sides of the House to do it. We should be doing a service for the people. We should examine this proposed legislation in draft form and tease out what is good and bad about it and have a proper debate about it.

I will finish on this point and I thank the Cathaoirleach for his indulgence because this is important. Every poll in Europe during the past two years has shown that the public is disconnected from Europe. We have a role as legislators to ensure that Europe is central to what we do. I put it to the Leader that the most central part of this is to examine what laws Europe seeks to impose on this country.

**Senator Ivana Bacik:** I join Senator O'Brien and the whole House in condemning the murder in Tallaght of the young girl which has shocked all of us. It was a particularly horrific crime and we send our sympathies to her family.

It is a good idea to continue to have debates on the fiscal compact and to set aside more time for this in the coming weeks. Given what is taking place as we speak in Greece and the negotiations at EU level on the Greek bailout, which is bringing the euro currency to the brink once again, it is clear that this situation is changing all the time. When we debate the fiscal compact, as we did yesterday, we should do so in light of the changing context. I like Senator O'Brien's idea of a full day of debate but it might be more helpful to spread it over several weeks as conditions change. This would assist us more in how we interpret the provisions of the fiscal compact. The provisions, as they stand and as I have read them, are rather technical. It is a matter of context as well.

I refer to the letter the Leader received from the Minister, Deputy Richard Bruton, commending the Seanad on its debate on job creation and the ideas we all put forward. I was pleased the Minister took the ideas on board. It would be helpful to have further debates on this matter.

One thing that struck me this week was the vast capital that London is making from the anniversary of Charles Dickens's birth. Colleagues will be aware that yesterday marked the 200th anniversary of the birth of Charles Dickens. Many events are under way not only in London but throughout England to commemorate Dickens and to celebrate his life and achievements. We have a rich cultural and literary heritage in Ireland. Senator Norris has done a great deal in his work on James Joyce to encourage people to come here to celebrate the legacy of James Joyce. Last year, Trinity College held a symposium on Samuel Beckett. We must be more willing and proactive about exploiting centenaries or anniversaries of the births and deaths of our great writers and we should celebrate them in a way similar to that currently taking place in London, which is bringing a great deal of tourism and trade there. We can learn from this and it is another idea that we might bring to the Minister.

**Senator Katherine Zappone:** I wish to offer my sympathies to the family in Brookfield, west Tallaght, an area I know well. I also echo and affirm what Senator Bacik has said in respect of the fiscal compact treaty and the suggestion of Senator O'Brien is perfectly sensible. Obviously, this is one of the prime issues that we should be discussing here.

Last night, RTE screened an investigative report, "Prime Time: Profiting from Prostitution" which delved into the highly-organised world of prostitution and trafficking. This documentary was nothing short of shocking. The report exposed the chilling reality of hundreds of women, the majority of whom are immigrant women, who are brought into Ireland and then moved

[Senator Katherine Zappone.]

from town to town on a regular basis. Female enslavement in this country is alive and well and it is generating vast profits for those in control. The documentary dispelled the myth that these women work independently. In fact, they are threatened, coerced and enslaved by pimps. The report also showed that criminalising the women involved is ineffective and does nothing to dismantle the sophisticated infrastructure of the pimps who remain untouched.

There is a clear gender dimension to this problem. As a woman I am revolted that Irish men, not all Irish men, but, given the report's findings, a large number of Irish men, are participating and enabling the enslavement of women in every town in Ireland. What has happened in the education of men that they think they can buy the bodies of women to have their needs met? This is not the case for all men but for many men according to this report. What has happened to our men that they believe this is acceptable? The ordinary viewer of the programme last night was left with profound questions such as how an investigative team could reveal such activity over a six-month period when, presumably, the same activity is known to the Garda but it is not being prosecuted. Why are we watching this on television like a movie when it is a harrowing reality in our towns and cities? Clearly, our current laws are not working. There is an inescapable interweaving of trafficking with prostitution and this exploitation must be addressed. We need legislation that can interrupt this activity, which is an absolute infringement of human rights.

In response to the debate on the Independent group of Senators' motion on trafficking and prostitution, in which we all took part in October 2011, the Minister, Deputy Shatter, promised a public consultation process within six months. I have had communications with the Minister, Deputy Shatter, and I understand that a consultation paper is due to be released by the Minister shortly. The consultation should begin now. I call on the Leader to ask the Minister when this might happen. The documentary mirrors the findings of research. I remind Members that the Independent group is sponsoring a briefing today between 3.30 p.m. and 4.30 p.m. by the Turn Off The Red Light campaign.

If the Cathaoirleach will indulge me, I have one more question. I call on the Leader to provide an update on the Seanad Standing Committee on Procedure and Privileges. When will the speakers proposed by the Independent group be invited to the House? I understand these suggestions have been brought to the committee.

**Senator Feargal Quinn:** I did not see the television programme that Senator Zappone referred to but the way she spoke about it reminds us of the onus of responsibility. The debate back in October was a vivid exploration of the problems. The reference to the murder in Tallaght last night also serves to remind us of the onus of responsibility and the need to continue to invest not only in the protection against crime but also to invest in the community, whether for prostitution or other events.

There was a very useful debate in the House yesterday. However, I was frustrated at the constraint of the Minister who wished to reply and who wanted another hour and could have given us another hour easily. We must find some way to overcome that. It was a good and healthy debate and it could have gone on longer. I had 15 seconds to ask a question and it was the same for others. It is an event and a reminder of how much we can achieve in the House if we put our minds to how we will achieve it.

I wish to draw the Government's attention to a phrase I had never heard before, namely, "crowd funding". It comes from the United States. Will the Government establish a website to allow people to pledge money to start-up companies? This has been done in the United States. It is very interesting and the venture takes in \$2 billion per year in investments. It is somewhat like "Dragon's Den" and allows people to invest in start-up companies. The British Chancellor

of the Exchequer is considering something similar with a corresponding website in Britain. I suggest there should be a Government website to encourage people and perhaps to allow them to use their pension ahead of time to invest in start-up companies. We continually refer to small and medium-sized enterprises, SMEs, being the future for job creation and enterprise in Ireland. However, they cannot get money from the banks. We know that people are willing to invest if only they knew about it. The American concept of a crowd funding website is such that, if something similar were done here, we could attract investment not only from people living in Ireland but from the diaspora. The diaspora could invest in Ireland in small companies they were unaware of and they could indicate the type of investment they wish to make and the type of venture capital they believe could benefit Ireland. Certainly, it could benefit companies that must start out with all the red tape and the issuing of shares that is necessary otherwise. This is something the Government should consider and I urge the Leader to remind the Minister to Google “crowd funding in the United States” to establish if there is something we could do with a similar website here.

**Senator Martin Conway:** I wish to express my shock and disturbance at the facts revealed last night in the “Prime Time” programme. The underworld is a dark and seedy place. A 16 year old girl in this city lost her life last night as a result of thuggery. Like others, I wish to express my sympathy to the family. Will the Leader facilitate a visit to the House by the Minister, Deputy Shatter, at some stage in the near future to have a further discussion on prostitution in this country? What legislation is pending? What public consultation process will the Minister engage in? How will the process be conducted? How widespread and comprehensive will it be? Ultimately, what sanctions does the Minister propose in terms of criminalising the males who use prostitutes? It is a hideous business. I understand that from 2,000 to 3,000 women in this country are being exploited on a daily basis through prostitution. This is a most regrettable part of our culture and the issue must be tackled by Government. I am aware the Government has committed to dealing with the matter soon within a short period and I request the Leader to push the issue up the agenda of this House. We led the way already with a debate proposed through Private Members’ time by the Independent group. Let us keep the pressure on.

**Senator Thomas Byrne:** I discussed the issue of the fiscal compact with my leader since the debate and I propose, on his behalf, that group leaders in the House meet shortly to decide on the format for a debate. I propose we have a Committee Stage style debate on the fiscal compact, perhaps with time limits imposed, but these should be longer than one minute. While we do not need unlimited debate, we need to go through the compact line by line in a positive and constructive way. That will certainly be the Fianna Fáil approach. Such a debate would do the Seanad and the public a good service. Last week, Senator Leyden spoke about the Vincent Browne programme and the public service it did by teasing out the issues. We could do that in the Seanad, but substantial time must be given to do it and for Members to speak. I respect, of course, that we cannot have filibustering on it and Fianna Fáil Members will not engage in that.

I also call for a debate on the health services. Before the election and to date, Fine Gael Deputies in County Meath claimed they were in discussion with investors on the issue of the proposed regional hospital for the north east. In response to Deputy Billy Kelleher and Sinn Féin to a parliamentary question, the Minister, Deputy Reilly, stated he has had no such contacts with investors. I believe the HSE holds the same position. I seek a debate on health care because it is the wrong way to run the country and its services if the provision of capital funding for the health services is being dictated by local Fine Gael Deputies on an *ad hoc* basis. Funding should be made available under the Minister’s leadership. I want the Leader to tell me whether

[Senator Thomas Byrne.]

Fine Gael Deputies have the authority from the Minister for Health and from the HSE to meet investors to talk about hospitals, without funding or authorisation from the Minister or the HSE. Can they continue to do that or are they just bluffing the people of County Meath? Perhaps there are no such investors talking to them and the Minister and the HSE are right that there are no plans to build the hospital, which is in clear breach of their commitments before the election. Perhaps the Deputies are caught in a trap because before the elections they talked about the investors they met — phantom investors — and they must continue with the myth. It is not appropriate for Deputies to be meeting these people without authorisation from Government. We need to clear the air and I call for the Minister for Health to do that.

**Senator Cáit Keane:** Like other Senators and Senator Zappone, I condemn the violent crime that took place in Tallaght in my area of Dublin South-West. I offer my sympathy to the family of the 16 year old girl. I also commend Senator Zappone on raising the issue of prostitution. Most of us watched the programme on that on television last night and were shocked by it. I thank the Senator for raising the matter as it is one I had also planned to raise.

The issue I wish to raise today concerns the Freedom of Information Act and how it does not apply to NAMA. Will the Leader ask the Minister responsible — I presume it is the Minister for Finance — to come in and make a statement on why this is the case? Approximately three months ago, the Information Commissioner, Emily O'Reilly, made a ruling when an online journalist took a case that NAMA should and could come under the ruling on freedom of information. This morning we read in the press how NAMA has spent €27 million on legal fees, of which it said it had recouped €10 million. Still, it is a considerable spend on legal fees. Nobody, not even journalists who submit freedom of information requests, seems to be able to discover the value of properties in general. For that reason, NAMA should be open to freedom of information requests. Will the Leader ask the Minister to come to the House to discuss NAMA and freedom of information? Hopefully, we will have that discussion in the near future.

**Senator David Norris:** I am aware we are only allowed raise one issue, but I wish to agree wholeheartedly with what my other colleagues, particularly Senator Zappone, have said.

The issue I wish to raise is in response to Senator Bacik, whom I thank for her kind words. She is right that in times of economic difficulty in particular, the celebration of the imagination is something that helps to lift all of us. It also has an economic benefit. Senator Bacik was very generous in her comments on my work on Joyce, but the generation before me and people such as Anthony Cronin and the late John Ryan have never received sufficient recognition for what they did. They were artists, whereas I was an impresario and performer to a certain extent. I saw the value in financial terms of the great writers. It was thanks to James Joyce, for example, that the work in North Great Georges Street was successful, because I was able to use Joyce's reputation to raise £2 million to save a building threatened with demolition. A major international Joyce symposium will take place in Ireland and I am delighted to say that UCD has now taken its rightful position on Joyce — it did not always welcome him — and now has a leading department where there will be exciting developments, but it is not up to me to reveal those developments. There has also been a supplement in *The Irish Times* on Joyce. Will the Leader contact the relevant Minister and ask what progress the copyright committee has made? The copyright issue is a concern for many writers, progress seems slow and it is urgent the matter is addressed.

We have not maximised the work of another writer, Bram Stoker, although he was not of the same intellectual calibre as Joyce. I take an interest in him because he was my great grandfather's cousin and his family are often in touch from various places. This year is the

100th anniversary of his death. Romania has successfully exploited this in an extraordinary way, but this country has made no money whatever out of it. We do not even have a statue commemorating him. We should do something in that regard. I am not saying that his work is *Finnegan's Wake*, but it is very unusual for a writer to create a global myth. Dracula is a global myth.

**Senator Paul Coghlan:** Yesterday, the Minister for Transport, Deputy Varadkar, presented the CIE Tours International Awards of Excellence and I compliment and congratulate all of the winners. However, it is remarkable that 12 of the winners were from one county, Kerry—

**Senator Fidelma Healy Eames:** No bias at all.

**Senator Paul Coghlan:** —in particular, Muckross House which took the visit merit award.

**Senator Fidelma Healy Eames:** Yet again.

**Senator Darragh O'Brien:** Why did Kerry not have 13 winners?

**A Senator:** What about Dinis Cottage?

**Senator Paul Coghlan:** Dinis Cottage did not win an award, although we have had it restored and we are now working on Killarney House. The Minister laid great stress on how powerful the word of mouth is in advertising and that is what lies behind how some of the winners won their awards. I want to congratulate some of the winners, leading hotels in Ireland which all happen to be in Killarney, namely, Killarney Park Hotel, Killarney Plaza Hotel, Killeen House Hotel, the Brehon Hotel, Killarney Avenue Hotel, Killarney Towers Hotel and the International Hotel Killarney. Five of the top 12 awards were among these hotels.

**An Cathaoirleach:** Does the Senator seek a debate on tourism?

**Senator Terry Leyden:** He is looking for notice.

**Senator Fidelma Healy Eames:** We are dealing with matters of national interest only.

**An Cathaoirleach:** Has Senator Coghlan a question for the leader?

**Senator Paul Coghlan:** It is very important that with regard to national tourism we get the packaging and marketing right. These winners are to the forefront in that mission and they were suitably complimented and congratulated yesterday by the Minister for Transport, who spoke well and must be admired for what he said.

I agree with Senator O'Brien's proposal and I am sure the Leader will find a way to work it out, perhaps without a Minister. I also compliment and commend Senator Zappone on her remarks. I did not see the programme last night.

**Senator Kathryn Reilly:** I would like to be associated with the expressions of sympathy to the family of the young girl in Tallaght. The issue I wish to raise is addressed to the Minister for Justice and Equality, but concerns his other responsibility, defence. Will the Leader arrange to bring the Minister for Justice and Equality to the House to address the deplorable situation where the Department of Defence seeks to rent a premises in Cavan to accommodate Reserve Defence Force training while simultaneously closing down and selling the state of the art Army barracks in Cavan. I refer to a tender issued in the local paper this morning. The people of Cavan have been told, just as people in other counties have been told, that barrack closures are being made in order to make savings. I see no economic gain in closing a barracks like that

[Senator Kathryn Reilly.]

in Cavan when the Department then wants to rent a premises to train the Reserve Defence Force.

Why sell a state-of-the-art facility to rent another space? It is absolute and complete madness. I would be interested to hear the comments of the Minister for Public Expenditure and Reform in the context of the comprehensive spending review if we take into account the paying of rents and associated costs when renting a property while the Department already owns a state-of-the-art facility. It seems we will spend the same amount annually in renting a new premises to train the Reserve Defence Force as we would have in running the barracks. That does not make sense to me and does not provide any savings.

The displacement of soldiers and their families from the sale of the barracks is grossly unfair. For the people of Cavan and other areas to see such tenders in newspapers, showing how the Department of Defence is openly seeking to rent premises when suitable facilities already exist, is a sign of complete madness. It will not wash with the people and I ask the Leader to bring the Minister for Defence before the House as a matter of urgency to clarify the position.

**Senator Fidelma Healy Eames:** I would like to be associated with the words of Senator Zappone in her call to the Minister for Justice and Equality for real action against prostitution and the enslavement of young women. I am also concerned about the unhealthy attitudes and culture of youths and men in this country, particularly towards sex and females. In this House we have a role to change attitudes and we can lead the way through public advocacy and legislation.

I want to bring some good news to the Seanad this morning. Last night I learned from staff sitting in at Galway Airport that they had cleared a plane for take-off that would transfer organs. That plane could not be fuelled at Shannon and without the airport in Galway, those organs may have been lost. Ironically, it took an airport on the brink of liquidation and staff on a sit-in to operate to ensure that plane took off. One never knows when one might be needed. We must ponder on the wonder and greatness of last night's action.

**Senator Ned O'Sullivan:** I join with my fellow Kerryman, Senator Coghlan, in acknowledging the achievement of the Kerry tourism industry and the great work done by the Senator himself for Muckross House and Killarney House.

I have an 11th-hour appeal to the Leader. The Minister for the Environment, Community and Local Government, Deputy Hogan, is to address the conference of town councils in Cavan on Friday and I fear he will not bring good news. The Government's position on the future of local government in this country has been very well leaked, like everything else in the Cabinet, it is sent out and people suck it and see. Those in the Cabinet might change their minds, as occurred with the septic tank issue. I appeal to the Leader to speak to the Minister before Friday as there was an article on the front page of the *Mail on Sunday*, obviously very well informed, which spells doom for town councils. It seems that over 100 years of history is to be wiped away by the Minister. Not only that but he appears to be stepping back from what was mooted as a compromise of urban-based sub-councils.

He seems to be proposing to reduce the number of county councils and councillors. We will finish up with large towns run by remote control by an officer of the county council or through a system like the old town commissioners, which were dreaded long ago. Whenever a council was abolished a commissioner was sent in and the local people could have no redress as they had to deal with unelected people. It would be a big blow for democracy in this country. We have already seen that our own Chamber is under threat so where will it end? We will rue the day we dismantle our democratic institutions.

11 o'clock

I ask the Leader to contact the Minister immediately and ask him to pull back. The Minister showed that he could listen to the voice of the people on the septic tank issue to a certain extent and it may not be too late to save democracy in this country.

**Senator Terry Leyden:** Words of wisdom.

**Senator Tom Sheahan:** Is it possible to bring the Minister for Health to the House to discuss the fair deal scheme because it is not working and is unworkable because of the value put on properties in 2008 and 2009. Those properties are now worth only 20% of that value. I heard of a case recently in which a person was asked to pay up to €850 per week to keep a loved one in a nursing home, as it was 5% of the value of the estate transferred to them in 2008. That estate is probably worth approximately €200,000 now. The process must be re-examined and redesigned for today's property prices. I would like the Minister to debate the matter in the House or bring forward amending legislation.

I had a phone call yesterday from a constituent asking how to pay the household charge. To that end I ask the Leader to make contact with the Minister for the Environment, Community and Local Government to ensure all local authorities would advertise where to pay the household charge.

**Senator Terry Leyden:** They are in a hurry.

**Senator Tom Sheahan:** People with the cheques written are asking where to send them. That should be advertised locally.

**Senator Rónán Mullen:** I agree with Senator Zappone, and although I did not see the documentary I am very familiar with the issues. We must change the law in this country and make the lives of people who would purchase the bodies of others much more complicated. We must target and hassle them, and we need a law that can be enforced. We must also push back against spurious arguments that suggest that if we criminalise the purchasers of persons in prostitution, we somehow make the position of certain persons in prostitution more dangerous. I have heard the bogus argument that some will go indoors with prostitution, with others left vulnerable on the streets and exposed to risky and more dangerous customers. That is a bogus argument. A law that targets the users of persons in prostitution will diminish the appetites of those who would seek to avail of this. It will act as a deterrent and bring down the numbers of people using persons in prostitution. It will inhibit trafficking of persons to this country for the purposes of engaging in prostitution.

We must heed Senator Zappone's remarks and move fast. We must encourage the Minister for Justice and Equality and his Department to bring forward legislation on the issue quickly.

**Senator Colm Burke:** I compliment Senator Coghlan for never missing an opportunity. It reminds me of when Cork became European capital of culture and it was decided by those in Kerry that they would celebrate 250 years of tourism in Kerry. They never miss an opportunity.

I agree with Senator O'Brien on the issue of European legislation and directives. I have already suggested that we set aside two days a months in which to deal with European affairs. A directive was put in place in Europe in February 2011 and I recently made contact with a Department on its transposition to Irish law, only to find that nobody in the Department knows of the directive. The Department in question does not know about a directive that has been in place for over 12 months, which highlights the disconnect between the public and Europe and even within Departments. There is an urgent need to have a set period in this House in which to deal with European issues and legislation. That could be brought to public attention at a very early date and I ask for this proposal to be taken on board. I know the Leader has written

[Senator Colm Burke.]

to the Houses of the Oireachtas Commission with regard to staff allocation but there is an opportunity for us to air issues coming from Europe, including legislation, directives and regulation.

**Senator Terry Leyden:** I support Senator Zappone's highlighting of the excellent programme last night from the team behind "Prime Time Investigates". It was a tremendous piece of public service broadcasting and it was very detailed. Hopefully, it shows RTE is recovering from the difficulties it had with a previous programme. It has shown great courage in this regard.

I hope the Garda Commissioner will examine this programme in detail, will carry out a detailed investigation and will bring prosecutions. I understand the section in the Garda Síochána which deals with trafficking is small but I know the Minister and his Department have placed a great emphasis on the area of trafficking. A representative of the Organization for Security and Co-operation in European was here last week to discuss this whole issue. It is a national, European and international issue and it must be tackled in that way.

I recommend that RTE shows that programme again, although I watched it in full last night. The programme was very comprehensive, well-documented and well-researched over a long period. It showed women being moved between Athlone, Dublin, Cavan and elsewhere in the country. It was an extraordinary programme and was one of RTE's best efforts so far and I commend it in that regard. I hope people have an opportunity to watch the programme today. I hope to attend the meeting organised by Senator Zappone this evening in the AV room.

I refer to the issue raised by Senators Bacik and Norris. Our writers are great for tourism but one who has been rather ignored is Oscar Wilde, one of the greatest writers in the English language who lived on Merrion Street. His grandfather is buried in Castlerea, County Roscommon, which is not known.

**Senator Ivana Bacik:** As good as Senator Paul Coughlan.

**Senator Terry Leyden:** We have a link to the Wilde family. I regard Oscar Wilde as one of the greatest writers in the English language. He had difficulties unfortunately but besides them, his writing will last forever. Senator Bacik made a very good point that other writers should be recognised, particularly Charles Dickens at this time.

**Senator Catherine Noone:** This morning I read about the report of the steering group on the national substance misuse strategy which revealed that in 2010, the average Irish adult consumed 11.9 litres of pure alcohol which one can translate into 482 pints of lager, 125 bottles of wine or 45 bottles of vodka. Bearing in mind that 19% of Irish adults are abstainers, the actual consumption is considerable. Worryingly, the report showed that Irish adults binge drink more than those in any other EU country and that one quarter of Irish adults binge drink every week.

Moving on to younger people, which is the real problem, Irish children are drinking from a younger age and are drinking more than ever before. I do not know what young people are expected to do when that is what adults do. The average age for a first drink for children born in 1980 was 15. That is now down to 14 for children born since the 1990s.

The steering group identified cheap off-licences and the fact the availability of alcohol in off-licences has increased by 161% from 1998 to 2010 as reasons for this but these are not the only reasons. It is a cultural issue in this country.

We had a very useful debate recently on jobs, which Senator Mullins proposed. I propose a similar debate in regard to this issue. I know jobs is a serious issue but this is a really serious

one for our health service and our young people. Generations will be seriously affected by this issue.

The steering group made various recommendations, such as phasing out sponsorship of sporting events by alcohol companies and a social responsibility levy on the drinking of alcohol. I suggest more education in schools. It has been shown that where young people learn in school about the damage smoking can cause——

**An Cathaoirleach:** Do you have a question for the Leader?

**Senator Catherine Noone:** I would be grateful if we could have a debate in the near future in which ideas can be put forward on how we can address the serious drink culture in this country.

**Senator Brian Ó Domhnaill:** There is a segment on Radio 1 every Friday called, Fiver Friday. Will the Leader ensure the Minister for the Environment, Community and Local Government is invited to partake in the debate this Friday — Fiver Phil — because of the reduction in the registration charge for septic tanks to €5. I am sure he would make an excellent contribution to the segment on Joe Duffy's show this Friday because he is giving away something for €5 which was previously €50.

**Senator Maurice Cummins:** It is a lot less than what the Senator advocated during the debate.

*(Interruptions).*

**An Cathaoirleach:** Senator Ó Domhnaill, without interruption.

**Senator Brian Ó Domhnaill:** I appeal to the Leader to organise Fiver Phil because we would like to hear what he has to say.

**Senator Pat O'Neill:** The Senator's party proposed €300.

**Senator Brian Ó Domhnaill:** We learned the heads of the Gaeltacht Bill were approved by the Government yesterday, which I welcome. Will the Leader find out when the Bill will be published? Perhaps we should have a detailed discussion on the contents of the Bill now that the drafting process has begun.

However, I raise the concerns of many people living in Gaeltacht areas about the proposals by the Government to stifle democracy by ending direct elections to the board of *Údarás na Gaeltachta*. It is a direct affront to democracy. The Government will argue that by not holding those elections, it will save €500,000 but why not hold them on the same day as the local government elections or a referendum? I argue one could hold the elections for approximately €15,000 to €20,000.

If the Government will not hold elections because they will cost money, then there would be no elections for councils and the *Dáil*, and we would end up with a dictatorship——

**An Cathaoirleach:** Have you a question for the Leader?

**Senator Brian Ó Domhnaill:** ——where people would be appointed to boards by Ministers and county councils, as in this instance. It is an affront to democracy and I call on the Leader to facilitate a debate specifically on the Gaeltacht Bill in the coming weeks, if that is possible.

**Senator Michael Mullins:** I support every word uttered by Senator Zappone on the RTE programme last night. I also join in the words of congratulations to RTE on a programme very well presented. It is highly embarrassing and disgraceful that so many men in this country

[Senator Michael Mullins.]

support organised crime, put the lives of vulnerable women at risk and infringe their human rights.

The House needs to have a debate on criminality generally because there is much activity in this country which needs investigation. If the Leader arranges for the Minister to come to the House for such a debate, I would like to raise the criminality associated with the sale of scrap. I would like all cash dealings in scrap to cease. Anybody dealing in scrap should be registered and produce a PPS number.

I was made aware of a situation recently where €5,000 worth of scrap was sold which had been robbed from a number of houses. Some €400,000 worth of damage was done to those premises and the people who did that walked away with €5,000 in cash. If we regulated the situation so cash dealings were illegal, it would reduce the number of burglaries, destruction, damage and accidents, because much local authority property, such as manhole covers, is being robbed and sold, and it would help the economy generally.

We need a debate on criminality and to put an end to cash dealings in scrap. We must look at our laws to see how we can safeguard our economy and reduce the amount of criminality taking place.

**Senator John Gilroy:** I support Senator Darragh O'Brien's suggestion that we set time aside to give a full airing to the very complex issues surrounding the fiscal compact. This House is the ideal setting to calmly and rationally discuss issues of public policy and complex issues, such as the fiscal compact. If this House did not exist, there would be no forum in which issues such as this could be fully aired. Critics of the House might say this could be done in the Dáil but much of what passes for debate there leaves a lot to be desired. It is not the most effective place for issues such as this to be teased out. The Minister for Education and Skills, Deputy Quinn, was here yesterday to take the Education (Amendment) Bill. At the end of his speech, he was effusive in his praise of the contribution this House has made in teasing out these delicate issues. Senator Power made some excellent points in last night's debate, which the Minister took on board. If this House did not exist, those points would have been lost in this legislation. It is therefore important to lay time aside to discuss the fiscal compact and other issues concerning medium and long-term public policy.

**Senator Pat O'Neill:** I wish to compliment Senator Leyden who is to Roscommon what Senator Coghlan is to Kerry. At least, he gets to be on the agenda.

**Senator Terry Leyden:** Yes.

**Senator Pat O'Neill:** I listened with interest to the other side of the House, including Senator O'Sullivan's speculation on local government and Senator Ó Domhnaill's comments on septic tanks. It was speculation and misinformation again from the other side of the House.

**Senator Darragh O'Brien:** The Senator got a trip to Kilkenny in the car.

**Senator Pat O'Neill:** I would like to ask Senator O'Sullivan, if he has the Minister's ear, to inquire about local government reform.

**Senator Darragh O'Brien:** You are his henchman.

**An Cathaoirleach:** Senator O'Neill without interruption.

**Senator Pat O'Neill:** Having listened to the speculation from the other side of the House, I think those people should start telling fortunes or give us tonight's lotto numbers. The problem, however, is that they did not consider the future of the economy in the way they let it run down.

**Senator Darragh O'Brien:** It is easy to know the Senator is a good friend of the Minister, Deputy Hogan.

**An Cathaoirleach:** Senator O'Neill should address his remarks through the Chair.

**Senator Pat O'Neill:** I am sorry. I welcome the announcement by the Minister for Transport today that speed limits are going to be reviewed. In former lives, some of us were members of local authorities which had speed limit reviews. Such reviews had to go to public consultation, which took a long time.

**An Cathaoirleach:** Does Senator O'Neill have a question for the Leader?

**Senator Pat O'Neill:** I will have a question for the Leader in a second. When the motorway system came in, the speed limit on national primary roads was reduced from 100 km/h to 80 km/h. We have boreens which still have a speed limit of 80 km/h. In other words, the speed limits are ridiculous. The Leader should ask the Minister to fast-track this review of speed limits. Rather than having to review each road individually, local authorities or the NRA should come up with a formula to reduce the limit to 50 km/h or 60 km/h depending on gradients, frequency of bends and road widths. The Minister for Transport should fast-track this review and, hopefully, the House can debate this matter soon.

**Senator Mark Daly:** I wish to ask the Leader again for a debate on the undocumented Irish in America. I know we spoke about this matter on the Order of Business on Thursday, but the issue has moved on since then. The key to granting 10,500 E3 visas for Irish citizens now lies with Senator Scott Brown of Massachusetts. Both the Taoiseach and the Tánaiste will be in America this week. The Tánaiste and Minister for Foreign Affairs and Trade, Deputy Gilmore, should be invited back to this House to discuss how he got on there and what meetings he had with Senator Brown and other members of Congress in order to secure E3 visas for Irish citizens. The Hispanic community in America has managed to obtain visas in a proposed Bill. As we all know, the argument was that it would be comprehensive emigration reform but that is not so, and it is happening piecemeal. When a US Bill was produced before Christmas it contained no provision for the Irish and we seem to have been caught wrong-footed.

I was in America with the former Congressman Bruce Morrison and Kieran Staunton of the Irish lobby for emigration reform. At my request, they have been invited to attend the Joint Committee on Foreign Affairs later this month to update us on their progress. However, the Minister for Foreign Affairs should attend this House for such a debate. He is aware of Senator Schumer's Bill, so he should report to us on what progress he has made. Hopefully, by St. Patrick's Day, we will have an announcement that 10,500 visas will be made available for Irish people.

**Senator Maurice Cummins:** I will endeavour to reply to those who are still here. On numerous occasions I have commented on the fact that Members make points on the Order of Business and then vanish from the Chamber. It demonstrates a lack of courtesy to the House.

**Senator John Gilroy:** The Leader is right.

**Senator Maurice Cummins:** I will certainly reply to those who are here, but it is not acceptable and is not good for the House for Members to leave before the Order of Business finishes. We are talking about improving standards in the House but this does nothing to improve them.

[Senator Maurice Cummins.]

I agree totally with Senator Darragh O'Brien about having a debate on the fiscal compact. We will have a meeting of leaders tomorrow where we can organise the format for such a debate on the fiscal compact in detail. It will more than likely be without a Minister, but we can go through it ourselves.

**Senator Darragh O'Brien:** That is fine. I have no issue with that.

**Senator Maurice Cummins:** There is no question but that we can do that.

I join with Senator O'Brien and other Senators in expressing our deepest sympathy to the family of the young girl who was brutally murdered last evening. We all wish that the perpetrators will be brought to justice soon in that case.

Senator O'Brien also raised the question of debating EU legislation in this House. On a number of occasions I have outlined the situation. We have been told by officials that the committees are dealing with EU legislation, but I have written to the Oireachtas Commission seeking some staff to allow us to debate EU legislation and directives in detail here. I have not yet received a reply to that request. I agree with Senators who say we should discuss these matters, but we must have the resources to enable us to do so. If information is put before the House we can discuss it properly. I have not forgotten the matter and we are actually working on it.

As regards yesterday's debate, I ordered the business of the House as agreed. We had two Ministers waiting last night under strict time schedules. Thankfully, the Minister for Education and Skills, Deputy Quinn, was able to come in. I had no intention of guillotining a debate on the Education (Amendment) Bill on which we had a good discussion. The Minister returned after 6.45 p.m. to deal with the Bill. Unfortunately, however, there were very few Members present. Some Members who had sought discussions on Report Stage were not even here, which is another matter.

The Minister of State, Deputy Creighton, has agreed to attend the House again. She went over time by ten minutes but we could not delay the matter any further. Unfortunately, she was not able to reply to all the questions but she is willing to return to the House to answer those questions that were posed. We will endeavour to get her in next week if she is available to address them. Her office has been contacted already and we are awaiting a reply.

Senator Bacik dealt with the relevance of the House. I have circulated a reply from the Minister, Deputy Bruton, on the excellent jobs debate we had. The input from 30 Senators in that excellent debate will be forwarded to the advisory council on jobs. It shows how the Seanad can work properly when Members engage with the process.

Senator Zappone and other Senators mentioned the RTE documentary on prostitution. It was an excellent documentary and it was shocking to see what is going on in towns and cities throughout the country. It showed dreadful exploitation of women.

We spoke about the consultation process and we had an excellent debate on it in October. I will endeavour to have the Minister here in early course to deal with it. If legislation is necessary to root out the pimps and criminals, the resources will have to be provided to the Garda Síochána to address this dreadful problem that is so prevalent throughout the country. I will speak to the Minister for Justice and Equality, who will be in attendance tomorrow. A number of people requested that he attend to discuss the immigration programme. There will be an opportunity tomorrow to put questions to him on progress on dealing with prostitution.

Senator Keane referred to the Freedom of Information Act and the fact that NAMA is not included. We will ask the Minister about that situation. Senator Paul Coghlan took us on a

wonderful tour of Kerry, as usual, and Senator O'Sullivan supported him. We all congratulate the tourism winners announced last night. Senator O'Reilly referred to the training of the Reserve Defence Force and stated that the barracks in Cavan is available. I will raise the matter with the Minister for Defence.

Senator Colm Burke raised the question of EU legislation, which I have addressed. Senator Ó Domhnaill referred to the Gaeltacht Bill. I will try to find out the status of the Bill and how soon it will be available. We are open for business and we will have a debate on it.

Senator Mullins referred to criminality and cash for scrap, which is similar to cash for gold. There is a need to curb the criminal activities involved in this. Perhaps the Minister can appear in the Chamber for an all-encompassing debate on law and order and crime, which can take in a number of the issues raised today.

Senator O'Neill referred to speed limits. The Minister for Transport, Tourism and Sport plans a nationwide audit on speed limits to ensure that all speed restrictions are safe and sensible. The Department will shortly engage with the National Roads Authority and the local authorities to conduct a nationwide audit of speed limits across the country. While the speed limit bands are set by the Minister for Transport, Tourism and Sport, specific limits apply to particular roads, which are determined by the National Roads Authority for national, primary and secondary roads and by local authorities for regional and local roads, in consultation with the Garda Síochána. The aim of the audit is to overhaul the inconsistencies, referred to by Senator O'Neill, within countries and regions and to put an end to confusion among drivers. The process is expected to take some time but the audit will be a crucial first step. We all welcome that.

Senator Noone referred to the matter raised by Senator Mooney yesterday, the steering group and the drinks culture in the country. The Minister of State, Deputy Shortall, discussed the matter in the Chamber but I am sure she will be willing to return and discuss the report of the steering group in early course.

Senator Daly referred to the undocumented Irish. The Taoiseach and the Tánaiste have been in ongoing negotiations with Irish politicians in the USA. Last week, the Senator mentioned that the US Secretary of State, Hillary Clinton, was not contacted about this issue.

**Senator Mark Daly:** She was not asked.

**Senator Maurice Cummins:** That is not true.

**Senator Mark Daly:** I look forward to the update.

**Senator Maurice Cummins:** The Taoiseach and the Tánaiste are engaged in ongoing discussions about the undocumented Irish.

Order of Business agreed to.

### **Health (Provision of General Practitioner Services) Bill 2011: Second Stage**

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

**Minister for Health (Deputy James Reilly):** I am pleased to have the opportunity to address the Seanad on Second Stage of the Health (Provision of General Practitioner Services) Bill 2011. It is a very important Bill, not purely because it is a matter for the troika and one of the things it was concerned about. It is an issue for me as Minister for Health to ensure that, at a time when we have a manpower crisis in general practice, we do not have any impediment to young general practitioners who are suitably qualified or those who might wish to return from

[Deputy James Reilly.]

abroad achieving their goal of delivering care to patients in this country. If one is prohibited from treating 40% of the population or more in a given area it is a real problem and a disincentive.

The Bill provides for the elimination of restrictions on GPs wishing to obtain contracts to treat public patients under the general medical services scheme by opening up access to GMS contracts to all fully qualified and vocationally trained GPs. There will be no limits on the number of contractors, which is important. The new changes are being introduced on foot of the commitment to the EU-IMF programme which requires the introduction of legislative changes to remove restrictions to trade and competition in sheltered sectors, including eliminating restrictions on GPs wishing to treat public patients. As I have already pointed out, whether that requirement was there this Bill would have come to pass.

GPs can now only obtain GMS contracts in restricted circumstances as follows: where a vacancy arises due to the retirement, resignation or death of an existing GMS doctor; a new GMS panel is created in response to an identified need for an additional doctor in an area; or where a GMS doctor obtains approval from HSE for the creation of an assistant with a view to partnership within his or her practice. The HSE is currently required before filling a vacant GMS panel or creating a new panel to take account of the potential viability of the panel being established and the viability of existing GP practices in the area. When we are trying to create open competition, that is contrary to that principle.

These arrangements have prevented many young highly qualified and trained GPs from obtaining a GMS contract early in their careers. The current system allows them to treat private patients but they are not able to treat medical card or GP visit card patients until such time as they obtain a contract from HSE. They may have to wait several years for such an opportunity to present itself. This creates an additional difficulty in that somebody who has been in private practice for a number of years — a situation which is prevalent due to the current economic downturn — have had patients who have been with him or her for a considerable length of time and have developed good relationships with them. Some patients may find they no longer have a job and have to seek medical cards which results in having to change doctors. It is bad enough that people have suffered from losing their jobs, with all that means, but they also have to change from a doctor with which they have a trusting relationship.

In addition to the above, two other categories of GPs have certain restrictions placed on their rights to take on and/or retain GMS patients under the current arrangements. These are GPs who hold GMS contracts on foot of interim entry provisions put in place in 2009 where they would have to wait until 2013 before treating any medical card or GP visit card patient, and certain GPs involved in partnerships which have been dissolved or terminated before a specified period would not be allowed to retain patients under their GMS list at the time of the dissolution of a partnership. The Bill will remove these restrictions, which is only proper, right and fair.

When this Bill is enacted, new GMS contract holders will be free to establish a practice in the location of their choice. However, a contract holder approved by the HSE in an area and who wishes to move location may only do so with the prior approval of the HSE. This is designed to ensure continuity of care for patients. Nothing in the Bill prevents the Department pursuing its policy of ensuring proper provision in areas that may otherwise be unattractive.

We are aware that there is no general practitioner available in certain parts of Dublin, areas where there is very reduced availability and some rural areas with availability problems. It is these areas that we seek to support through various grants and aids. We do not want circumstances in which five new practices spring up on Grafton Street, each supported by public

money. We are allowing and encouraging open competition and if people want this, it is fine, but we have a duty of care to people who find it difficult to access general practitioners because their areas are unattractive for various reasons. We need to put in place incentives to address that.

Section 1 provides for the definition of certain terms used in the Bill. Section 2 provides that the HSE will be entitled to enter into a GMS contract with any suitably qualified and vocationally trained GP and it will not be limited to granting contracts where a GMS contract holder dies, retires or resigns from the GMS.

Section 3 provides that a GP holding a GMS contract will be entitled to accept onto his list any patient nominating him as his doctor of choice, subject to existing rules relating to panel size. This reflects the original intention of the scheme; it was a choice-of-doctor scheme. If, because of the current restrictions, choice is not available to people — they may have been with a GP and now find they must get a medical card — it is clearly not for the good. This Bill will address that.

These rules stipulate that the total number of GMS patients who may be placed on a GP's list shall not exceed 2,000 save where the HSE or such organisation as follows it, in exceptional circumstances, decides to apply a higher limit. This will ensure that GPs who hold a GMS contract on foot of interim entry provisions put in place in 2009 will, from the date this legislation is commenced, be able to take any medical card or GP visit card patient onto their list and they will not have to wait for two more years before doing so.

Section 4 provides that when a partnership dissolves, a GP who wishes to continue participating in the GMS scheme may retain the patients on his or her GMS list on the date the partnership dissolves or terminates, unless the HSE is advised that any such patient does not want to remain on that list. Section 5 provides that the HSE, when filling or creating a GP position, will not take account of the short-term or long-term economic viability of that or other GP practices. This is important because it is not for us to determine the market. The provision will address a recommendation in the Competition Authority's report of July 2010 on general medical practitioners, which was aimed at increasing competition within the GMS scheme.

Section 6 provides that where a GP has been approved by the HSE to provide GMS services at a particular premises, he or she cannot provide such services at another premises unless he or she has submitted a request to the HSE and the HSE has given its consent. Therefore, a contract holder who wants to change his or her centre of practice can only do so with the prior approval of the HSE.

Section 7 provides that when this Bill is enacted, nothing in the Act will affect the operation of the GMS scheme other than the provisions set out in sections 2 to 6 of the Act. Section 8 provides for the Short Title and commencement of the Act.

A key commitment of the programme for Government and a fundamental element of the health reform process involves significant strengthening of primary care services to deliver universal primary care with the removal of cost as a barrier to access for patients. This commitment will be achieved on a phased basis to allow for the recruitment of additional doctors, nurses and other primary care professionals. Access to primary care without fees will be extended on a phased basis over the life of the Government. Initially, free GP cover will be extended to persons in receipt of drugs and medicines under the long-term illness scheme. Primary legislation is required to give effect to this commitment. It is expected that the new arrangements will be in place by this summer. There will be announcement in due course on the commencement date for this arrangement.

The introduction of universal primary care will allow us to move away from the old hospital-centred model, in respect of which health care was episodic, reactive and fragmented, and to

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deliver a more proactive, joined-up approach to the management of our nation's health. By that, I mean it will become the focus of the primary care position to keep people well and engage in prevention and the monitoring of chronic illness so people will avoid complications and not end up in hospital, have a better quality of life and save the taxpayer considerable sums. It is a win-win situation for everybody.

I am confident that the Health (Provision of General Practitioner Services) Bill 2011 will contribute to this commitment as it will encourage more young GPs to remain and establish their practices in Ireland. It will make it more attractive for GPs to move here from overseas. There are many Irish graduates abroad who would like to come home but who have found it difficult to do so. The legislation will encourage competition among GPs at a time when many fee-paying patients have less money at their disposal.

This Bill will result in medical card and GP visit card patients having a greater choice under the GMS scheme. It will also help to ensure that private patients of new GP contract holders who qualify for a medical card or GP visit card will not have to change their GP. I commend it to the House and I look forward to hearing the views of members.

**Senator Marc MacSharry:** As always, I welcome the Minister to the House. He has a very difficult job. He is very busy and we are glad to see him here in person. That is not to say his Ministers of State are not very welcome here.

Fianna Fáil, as the Minister will have heard from Deputy Kelleher in the Dáil, welcomes this Bill in principle and would like to assist in improving it on Committee Stage, if possible. While none of us welcomes our having to deal with the troika and IMF, in a strange way this Bill represents a positive consequence of their involvement. It represents a deregulatory task that should have been done quite some time ago. Everybody qualified as a GP should be allowed to make himself available for practice, particularly at a time when there are shortages in parts of the country, as the Minister rightly stated, in regard to the provision of care.

I wish to make a point on the availability of GPs that is not related to this Bill. It concerns the points required to enter medicine courses. In another debate, during which the Minister may have been present, I said that while I had no doubt the he received top marks in all his subjects, many of his colleagues, who are very fine GPs and medical practitioners, were not required to get straight A's in all the various subjects required to enter the Royal College of Surgeons or other medical colleges. Let me outline the case of a particular GP, on whom I will not give too much information for fear Members may know who I am speaking about. In the 1960s, when replying to a newspaper advertisement seeking students for the Royal College of Surgeons, whose entry criteria required one to have passed one's leaving certificate and to have two languages, he put down Irish as the native language and English as the foreign language. The individual in question is happily practising as an excellent GP to this day.

I am not saying we should be flippant about the level of attainment required to enter medical school but that we should be non-elitist — more so than in recent decades — in encouraging people. People who are probably more suited to being librarians are encouraged, through peer pressure, to study medicine if they happen to earn the requisite number of points. We need to focus more on who we encourage to enter the profession and be less rigid in requiring straight A's. I would like the Minister to reflect on this in his ongoing work.

While there is no doubt that the Bill will have positive implications owing to deregulation, it poses questions. I do not see any provision that will ensure GPs will want to go to non-affluent areas, nor do I see a provision to discourage those currently in non-affluent areas from transferring, albeit with HSE permission, to an area that they want to be in and which may be a little better. There is no provision to ensure out-of-hours cover to the extent required

nationally. I fully agree with the Minister that we ought to move away from resorting to the hospital or intensive care when there is a basic concern and that the system should be much more GP focused.

We want to move away from a position where people automatically think of hospital or intensive care when there is a basic concern. The system should be much more GP-focused. However, very often GPs have not made themselves available for this. Most of the general practitioners I know start at 10 a.m. on a Monday, stop for lunch for a couple of hours, finish at 5 p.m. and have their on-call periods. Almost all of them golf either on Wednesday afternoons or another afternoon during the week. That is the case. The Minister is shaking his head. I would love to do an analysis of the golf courses of Ireland in about 90 minutes' time and count how many GPs are out playing on Wednesdays. I can assure the Minister there are quite a few. There are very few professions that provide for that but I am afraid this one does. That is something we must deal with. One could follow it with the number of hours during which certain consultants make themselves available. That is a challenge for us to change.

In any case, I do not see how this legislation will help with pricing. General practitioners charge what they charge throughout the country and we do not have price caps unless the Minister were so to direct. Obviously, there has been a 15% reduction in terms of GMS payments to doctors. Who negotiates for doctors now? Under competition law the IMO does not. Rephrasing what the Americans said famously about Europe, when one wants to speak to GPs who does one speak to, if not the IMO? According to the competition authorities it is not to the union, so where is the line of communication? How can we get across to doctors they need to start taking on board some of the points we mentioned, from pricing, to availability, to out-of-hours access, and the non-gin and tonic belt locations which some doctors may not care to cover but which need to be covered?

There are positives here but many questions have been raised as well and we will try to assist with that on Committee Stage.

In the context of services throughout the country the equality of access issue is one that is very close to my heart, as the Minister knows. I would not be true to myself if I did not use this opportunity to ask about this, in the context of the HSE and the very admirable policy of trying to match up with international best practice across the various disciplines. We have had the national cancer control programme, which many people are very happy with, in spite of everything. Professor Kieran Daly is implementing reforms in the area of stenting. The Minister and I have corresponded about the recommendations implemented by Professor Daly that are associated with improving cardiology. My concern is that, statistically, 80% of the people of the country have this care, within whatever the reach may be. However, as the Minister knows well, in the north west of the country the national cancer control programme does not cater for equality of access. In spite of the Minister's announcements in the House regarding follow-up mammography at Sligo General Hospital this still has not happened.

There is also another scenario. International best practice claims that if one has a heart attack it is necessary to insert a stent within 90 minutes. We are implementing a programme of reforms to match up to that standard yet, by the admission of both the Minister and the HSE, this does not take account of the north west of the country on the basis that only 20% of the country's population is involved. The people in that region can be treated as for thrombosis because that is the best we can do. In essence, what is meant is that the people of the north west can either move closer or they can die. They will have less likelihood of survival than the rest of the country which has proximity, in cancer to the national cancer control programme with its eight centres, in radiotherapy and in other treatments that are available.

[Senator Marc MacSharry.]

In terms of cardiology and stenting the people of the north west must survive on thrombosis treatment.

I welcome the Bill but while we are all striving to make greater equality of access and cheaper treatment for all the people of the country in terms of GP care — never mind who is in government — is there a HSE policy to match international best practice across disciplines? It still uses the excuse that 80% of the people are covered so the people of the north west, who have very particular geographical and proximity concerns, can sing for it. If we hide under the cloak of lack of resources and everything else, we will not do it. I would like to hear the Minister's views on this issue.

**Senator Colm Burke:** I welcome the Minister to the House. I also welcome the students who have joined us in the Visitors' Gallery. I hope the debate relates to their careers and that in the not too distant future we will see some of them as part of the medical profession here, able to practise in this country.

This new Bill gives the right to practise to those who meet the required criteria. The restrictions that were there previously did not comply in real terms with EU regulations. I was surprised and mesmerised that nobody had ever challenged them because they were anti-competitive. I took out the 1996 circular issued in respect of this entire issue which set out how people were to be appointed. This was an amendment to earlier regulations and I am sure it, too, was amended since 1996. The criteria as set out allow for the provision of a proper level of access to general practitioner services for patients. They state patients should have a reasonable degree of choice in selecting a practitioner and that due regard is given to the question of viability of practice in the area in question. Viability of practice, therefore, was one of the criteria in deciding whether an appointment should be made.

It was interesting to look at the appendix 4 regulations on deciding whether a person should open a practice. These examined the number of GMS patients on the list, the age and gender profile of the patients, the geographic area in which the practice is situated, the number and age profile of GMS doctors in the area and their list sizes. Also included were the private practice profile of the area in question, including the ratio of private to public patients, the population size of the area and surrounding areas and the factors advanced by the applicant doctor in support of his or her application. Although many issues were taken on board there was not the freedom for a person to come in and open up a practice. Applicants could open up and be involved in private practice but they were not entitled to take on people with medical or GP cards. This new Bill allows the whole area to open up and I welcome it.

There is another issue which I have raised previously. Although we are allowing new people to come onto the system there is a need to move forward in regard to computerisation. I raised the issue of the system in Denmark where a person has a patient medication card just as each one of us has a Visa card. This can access one's bank account no matter where one goes. Likewise we should be working towards a system where every person would have a patient medication card. I realise this is being rolled out in cancer services but it is a long-term agenda. The person would go to the GP, present the card, the GP would provide a prescription, not by hand but by putting it onto the person's file. The patient could then go to the pharmacy, present the card and the pharmacist would access the information on the file. If the person is admitted suddenly to hospital all his or her medical records are on the card so a doctor in the hospital need not wait for four or five hours for that file because it is immediately available. Obviously, there must be security provisions but this is the way forward. When we encourage people to start up in this area we must ensure we also encourage computerisation in order to cut down the paper load involved in medical care.

It was interesting to look at the figures in regard to medical cards and see how the number of people with cards is growing. As of 1 January there were 1,694,063 people with medical cards and another 125,000 who had GP visit cards. A total of 1,819,720 people are entitled to medical care. We are moving close to a situation where almost 40% of the population will have either a medical card or a GP card. This emphasises the need for opening up this entire area and allowing more people into practice.

The figure I have for the number of GPs registered under the GMS scheme is 2,279. In real terms this is rather small when one thinks of the number of people with medical cards. I realise some of the practices in question would have more than one doctor but it is interesting that the number of card holders has grown in the past two or three years and will probably continue to grow in the coming years. It is important that the standard of care is maintained. This is one of the issues on which we must continue to improve. I know people can be critical of the services provided but the majority of GPs provide an excellent service and system of cover. However, there are deficiencies in some areas of which we need to be conscious. As the primary care reimbursement scheme comes to €493 million a year, it is important we get value for money from it.

I have concerns about GP training. A training doctor at a hospital I know told me a young trainee inquired why he had to learn about stitching, a relatively small procedure, or work on weekends as he would never have to do these as a GP. There is a culture in general practice that it is a nine to five, five days a week job. It is necessary to get it across that a community GP scheme must be comprehensive — people do not get sick just between nine and five — and not depend on which part of the country or an urban area one resides.

I agree with the Minister's point during the Dáil debate on the legislation on the need for GPs to work together to provide a comprehensive service across a range of areas. He referred to a practice in Mallow where 17 GPs have come together to provide much more services than before at a local level.

I know of several GPs who trained for several years to be paediatricians, obstetricians and gynaecologists but did not finish their training. They have a wealth of experience which should be tapped into for the benefit of hospitals which may require temporary cover, say for a day.

I welcome this long overdue Bill which will provide a degree of competition in the GP sector and enable us to provide a comprehensive health service in communities.

**Senator John Crown:** I welcome the Minister to the House. I also welcome his presence in the Department as he brings to it the zeal of a reformer, something sadly overdue in the health service. We look forward to supporting him in his efforts to forge real reform.

I welcome this important Bill because there was a problem with the structures for entrance into general practice which was having negative downstream effects on the service delivered to patients. This legislation will remedy this and increase the ease with which suitably trained and experienced doctors can get access to general practice. It will also improve the access of patients to highly qualified general practitioners. There are several demographic trends which suggest we could run into a serious shortage of GPs in the future. Even if that were not to occur, it is natural justice that these reforms should take place.

Ireland has the lowest number of general practitioners per head of population of any western country. In general, a low number of GPs per head of population means either the country has an underdeveloped health service or there has been a subtle internal professional rebalancing between primary and secondary care as happened in the US, which has a relatively low number of general practitioners but a large number of specialists. People in the States tend often to go directly to specialists or other physicians and surgeons when they have medical problems. In

[Senator John Crown.]

Europe, we tend to go a general practitioner first. When one looks at the global figures of GPs per head of population, one will note those countries which follow the more liberal Bismarckian welfare system model tend to have relatively large numbers of GPs. The NHS model is anchored near the bottom while its “Mini-Me”, the New Zealand health service which apes the NHS so flatteringly, is even lower. Then at the bottom are ourselves. This reforming legislation will go some way in fixing that.

We should reflect on the differences we have in this country between general and specialist practice. We have a much more functional general practice system with only one problem — the bottleneck at entry of new GPs into the system. When that bottleneck is lifted, we will see the full flowering of a good general practice system.

I have minor quibbles with the way GPs are trained. In my ideal world, the ludicrous division between hospital-based doctors and GPs would be done away with. Having a highly experienced GP sending a patient to hospital to have an opinion given by a trainee doctor is crazy. Our GPs should be fully integrated into the hospital community, admitting patients to hospitals and doing rounds on their own patients. GPs should be more like the American internalist. While this is not the forum for a debate on the minutiae of how GPs are trained, I would see a certain logic to having general practice slightly split between adult and paediatric practice and a cohort of hybrids between adult general practitioners and internal medicine physicians who would have a practice which would be largely ambulatory and domiciliary but have a hospital basis.

The greatest difference that stands out in our general practice service model is that while GPs are paid two different ways for the patients they see, general practice care is single tier. Public and private patients will attend the same practices during the same times, sitting in the same waiting rooms. There are not separate times for private and public patients. The magnitude of reforming the health system is not that large and can be done because it has been partly done in general practice already.

One key issue which I believe the Minister will safeguard during his long tenure unless he gets promoted——

**Deputy James Reilly:** Or shot.

**Senator John Crown:** Yes. General practice in Ireland answers to the principles of social democracy but is not intensely bureaucratized. General practitioners run their own practices, get paid by the Government for their public patients and answer to the various agencies of the Government and their profession for the standards which they bring. This is vastly different from the way we run the hospital system. Hospital-based specialists work for a cohort of professional managerialists in heavily bureaucratized institutions. I wish the Minister well with this legislation and the rest of his reforms.

**Senator John Kelly:** I welcome the Minister to House. This welcome legislation is simple and self-explanatory, giving greater choice to people and leading to greater competition in the general practice market. Hopefully, it will limit the emigration of our trained GPs and even facilitate the return of those who had to emigrate in the past. As Senator MacSharry noted, other measures could also be considered, whether in the context of this Bill or through other legislation, to deal with the pricing system operated by some GPs. Prices should be built into GPs’ contracts with the HSE. As they are already well paid for medical card patients, they should not be allowed to charge a further €50 to write a letter so that a patient can apply for a medical card. This practice should be outlawed under the legislation.

It is scandalous that somebody in receipt of disability benefit who requires a doctor's certificate on a weekly basis might have to pay €30 for it. People should not have to pay for this service if they are patients of the doctor concerned. Similarly, medical card patients should not have to pay extra to have their bloods taken. The practice that the Minister described as having the shoe box on the table should also be outlawed. Elderly people should not feel obliged to give their doctors additional money to get better care. If they want to give the money to the Department of Health, we could put it to better use than giving it to well-paid GPs.

I acknowledge that the Minister is not to blame for the management of medical card system by the primary care reimbursement service, PCRS. More than 12 months ago I warned that the change to the medical card system would be a disaster. The issue has been raised with the Minister on previous occasions but, unfortunately, he has accepted the assurance from the PCRS that 85% of medical cards are being dealt with the normal way. I know for a fact this is not true, however, and I could set out any amount of examples to support my contention. I invite the Minister to come to my office and listen on speaker phone when I eventually get through to the PCRS to ask about five different cases. The bottom line is that it appears to be losing applications. If a medical card application is straightforward there is no problem but even one complication creates problems because the PCRS will write back to the applicant after two weeks to request further information or admit to losing something. In one case, an application was submitted on 25 September and the PCRS wrote to the family concerned to say it lost the husband's payslip. I have been in regular contact with the PCRS over the past three weeks because it cannot find any information pertaining to the file but it asked us to resubmit the entire application. This example is repeated on a daily basis. I do not know what it is telling the Minister but it has a huge problem on its hands.

Since it took over the control of medical cards, its approach has differed to that of the HSE. For example, an applicant aged between 16 and 25 years who lives at home is only issued with a medical card if his or her parents also have one. That was never the case previously. The guidelines for medical cards set out an income threshold of €164 for those who live with their families. I have it on the highest authority that PCRS is wrong in its interpretation but it is not for changing. To offer another example, people who have a right to medical cards by virtue of being on community employment or rural social schemes are being told their families have to be means tested.

The guidelines for medical cards were last updated in 2005 or 2006. I suggest that they need to be brought in line with social welfare rates. Anybody on the baseline of social welfare is barely above the poverty line and the medical card guidelines set out incomes that are far below the poverty line.

The Minister referred to the long-term illness scheme but I missed what he said. He has included other long-term illnesses in the scheme. Are cancer patients among the categories of people who will be considered for a long-term illness book?

Senator MacSharry referred to the out-of-hours doctor service. This service is not working. Doctors used to work on the basis of a rota system so that a local GP was always on-call at weekends. Given that we are about to open up to competition and increase the number of GPs in the market, perhaps it is time to reconsider a rota system because the new GPs might be delighted to work weekends and be on the golf course on a Wednesday afternoon.

In regard to protection for GPs based on the potential viability of their practices, newspaper reports of earnings of €600,000 and €800,000 from the GMS scheme suggest there is room for more GPs. It is said that one never sees a bookie going out of business. I never saw a GP going out of business.

**Senator Sean D. Barrett:** I welcome the Bill and endorse what Senators MacSharry, Colm Burke, Crown and Kelly have said. The Bill has been recommended by the troika. When the troika visited Trinity College at 9 a.m. on a Monday morning — we tried to notify as many Senators as possible — one of its members suggested that the GP fee in Ireland is twice what he pays in Brussels. This the costly system we are now dismantling. Incumbents generally dislike competition and they tend to lobby Governments to protect their privileges. As Senator Colm Burke pointed out, some of that lobbying turned what the Minister described as a choice of doctor scheme into a highly restricted choice of doctor scheme that would not have received the approval of the Competition Authority.

We should wait to see how the restrictions on locality and the decision making on the viability of practices operate in practice. We may find that new GPs will locate in areas that are not well served at present. The two occupations are not comparable but under the judgment of Mr. Justice Roderick Murphy on taxi deregulation, operators are entitled to enter a sector once they possess the necessary skills and training and the public is entitled to the services of such persons. The biggest increases in the opened up taxi market occurred outside Dublin. New producers can do lots of things when the market is not restricted. As we have 24-hour shops and petrol stations, we should also have 24-hour GP clinics. The open market will facilitate that. If certain kinds of GPs are needed in Temple Bar and other areas which are mainly frequented at night, a service will be established to deal with whatever medical needs arise. The golfing world that Senator MacSharry mentioned was too comfortable. The new people will follow where the need for their services exists.

I hope there will be a big reduction in the cost to the taxpayer because one hears already of examples from Killarney that where extra doctors move in the cost is being reduced. We should look for that also. At the end the Minister mentioned the budgetary implications, which could be very positive if the Department can negotiate at the new rates that will be available when all these extra people enter the market.

At a seminar organised by Pfizer approximately a year and a half ago when the Minister was the Opposition spokesperson and I was just an ordinary economist in Trinity College, we discussed the deskilling of GPs. Is a GP just to be a person who writes a letter to employers stating that an employee is sick when all three parties to the transaction know he is not sick, writes letters to pharmacists called prescriptions and writes letters to consultants called referrals? As Senator Crown has said even a highly experienced GP might send a letter to a relatively junior person in a hospital. We should try to relocate many of the functions of medicine away from outpatients, where I gather 95% of patients are never admitted and the cost is two or three times the cost of going to a GP, and certainly away from inpatients where costs of approximately €1,000 are run up. If we can put the GP at the centre, as the Minister intends, there are substantial possibilities.

I favour not just competition among GPs but also among health insurance companies. I was hoping that competing health insurance companies would be able to state they did not cheat by taking on only young people, but got better deals. This brings me to the Milliman report, which I am sure the Leader has discussed with the Minister. While we could have a separate debate on that report, it refers to patients being kept in hospital for 10.6 days for a procedure which should take 3.7 days in an alternative system and accumulates an enormous cost for the State.

The health service doubled its staff between the mid-1980s and 2007 when it peaked at 110,000 people. There has been too much bellyaching about a 2% or 3% reduction now. The real question is how it got from 55,000 people to 110,000 before this problem was finally addressed in 2007.

Regarding means testing, in his book, Professor Drumm states his hope that by centralising medical card administration it could be done by 130 staff as opposed to by 430 when it was done in separate offices. Given the failure of the Department of Social Protection and the Revenue Commissioners to get their act together on pensions, should all means testing not be done in one central location rather than having means testing in multiple locations? With higher education grants it is extremely strange how easy it is for the self-employed to get student grants and virtually impossible for PAYE people to get them. Means testing and medical cards are part of a wider problem.

Some GPs were required to wait until 2013 before treating any medical card patient and I am glad the Minister has done away with that.

The change in rules on admission to medical schools makes it more difficult for women in particular to study medicine. In our college we have people with the maximum 600 points from their leaving certificate examinations who, because of the HPAT could not have gained entry. Looking back on that, if all the people with high points — 500 or more — who had applied to study medicine had been allowed in, we would have a far better health service today. Keeping out talented young people from being GPs — which the Minister is correcting with the Bill before us — or from the study of medicine is not a good idea in terms of the health service we are trying to build up.

This is a great start and should lead to the development of group GP practices and transferring outpatient and even some in-hospital treatments to GP surgeries. The Bill represents a start and has already been commended by people from all sides of the House. Based on the economics of it, it seems to be the correct way to go and I compliment the Minister on the Bill.

**Senator Fidelma Healy Eames:** It is great to have the Minister here. Rarely have I received so much support for a Bill, obviously from GPs who are trying to access the GMS list, but also from patients. It is difficult to think of another Act of the Oireachtas that would have such an immediate positive impact on the lives of so many people once passed into law. Is it not great to see such cross-party support on all sides of the House? Thousands of patients are waiting on the passage of this Bill in order to access medical services. I obviously support the Bill and would like to see it passed speedily to give all fully qualified GPs access to the GMS list.

I was struck by the story of a qualified GP who has been qualified for 20 years. She worked in Blanchardstown as a GP in the GMS. As her husband's job was decentralised to Galway, she was obliged to resign her post for family reasons and has since been unable to see GMS patients because of the inequity of the system up to now. She has worked on and off for other GPs and in the hospice in Galway. Approximately a year ago she opened her own practice. She has many patients calling every day asking when she will be able to sign them up. She has said that some are forced to pay to see her even though it is not financially easy for them to do so in order to attend their doctor of choice. A right is being taken away from patients and it is wrong to turn patients away. So we see value in the Bill for that reason.

The Bill is definitely a step forward in the provision of good primary care services close to the patient's home and it offers a level playing pitch to all GPs. It is also welcome for younger doctors who can now see a career path and will be less likely to emigrate having been educated at the expense of the taxpayer. I am familiar with a young doctor who has been abroad and acquired considerable expertise. He came home and did his best to access the list. When he could not do that, he left a year ago. He gained expertise from conflict situations and had great zeal and a sense of social justice. Those are the values we should be espousing.

The Bill also offers a great return for the taxpayer and is one of the most impressive results of the requirements of the EU-IMF deal. How many of us can stand up here and say we are

[Senator Fidelma Healy Eames.]

absolutely delighted with everything the EU and IMF want? I cannot say that, but I am impressed by this. It was meant to be passed in the third quarter of 2011 and we need to implement it without delay for the sake of everybody. How does the Minister believe the Bill will feed into our vision of universal health care and primary care centres?

**Senator Thomas Byrne:** I also support the Bill and along with many doctors in my constituency I urge its passage as soon as possible. Given that we have rushed legislation on many items, I wonder why this is not being rushed. With so much apparent unanimity we could probably have completed Committee and Remaining Stages today to allow the Minister to enact it with his order. As Senator Healy Eames said, the Bill arises from the EU-IMF agreement, but it was contained in the previous Government's national recovery plan which the IMF and EU agreed to bankroll. This was a long-standing policy that Fianna Fáil wanted to introduce and it needs to be enacted as soon as possible.

I seek clarity. Under the provisions of the Bill is the HSE obliged to hand out a contract or is it just entitled to hand out a contract? Are all GPs who open a practice entitled to get a contract or is it just that the HSE is entitled to give them a contract?

As the Minister is in the Chamber, it would be remiss of me not to mention that today is the first anniversary of a promise Fine Gael gave on the regional hospital in the north east. The five candidates, four of whom are now Deputies, announced to the local newspaper that along with the Minister they had met investors who were prepared to build a regional hospital for the north east and that it would be completed within five years. The public private partnership model had been agreed and Fine Gael had pledged the money. The Minister should not shake his head because this was reported in *The Meath Chronicle* exactly a year ago with his name attached to it.

**Deputy James Reilly:** The newspaper of record. Go on.

**Senator Thomas Byrne:** I am sorry, Minister. The record was of the five Fine Gael candidates at the time and the now four Deputies——

**Deputy James Reilly:** Show me where I said it.

**Senator Thomas Byrne:** They made a statement to the effect that investors in a hospital project met the Minister and that these investors would build it within five years. This was to be done and it was manna for the people of Meath. They are waiting for the hospital. Money was not a problem because, according to Deputy Damien English as recently as three weeks ago, it was arranged to be a public private partnership and the Government would have to pay only €40 million per annum to get it up and running. This was all arranged. The Minister has given replies to parliamentary questions from several Deputies on this issue to the effect that he knows nothing of these initiatives. Is it appropriate candidates should meet investors in respect of this matter which is a decision of the HSE and the Department of Health? Is the Minister involved in the negotiations? Are these negotiations real? Are they taking place or is it simply a bluff by the Deputies?

According to the replies, the Minister and the HSE appear to know nothing about it. What is the status of the hospital? My Government's position was clear enough. We were keen to build it but there was a lack of finance. If the Minister states that there is a lack of finance we will understand, save to say that the pressure is considerable. However, it appears there was no lack of finance on 9 February 2011 because the four candidates, now Deputies, stood up and suggested as much to everyone at the time in light of the IMF agreement, the publicly available tax receipts and the briefings given to Ministers about the state of the country's

finances. They said the State did not have enough money but that they had met investors who would pay for it and that the State would only have to pay so much every year. I am unsure whether the Minister is aware of “The Simpsons” but it reminds me of the monorail project in “The Simpsons” where investors came in and built a massive project. That got the go-ahead and this did not so they are one step ahead of us. What exactly is its status? What is the status of the regional hospital for the north east in respect of which one year ago investors met the Minister’s colleagues and they had all agreed that it would be built within five years? The Minister’s name was attached to it. If that was simply a bluff, then it was a wrong bluff because we are dealing with people’s lives and health. It is a bluff that continues because we met the Deputies only three or four weeks ago and they continued with this. They said their meetings continued with investors but at the same time the Minister and the HSE appear not to know the first thing about it. Let us have a clear and honest answer because the people of Meath seek clarity on it.

**Senator Deirdre Clune:** I am pleased to have a brief opportunity to speak on this important Bill, which I welcome. It is a positive step. The reports of the Competition Authority and the National Competitiveness Council consistently refer to the need to open up what are termed the “sheltered professions”. This includes the legal profession and the process is under way there at present. Restricted access to the pharmacist profession was mentioned previously and it has been removed somewhat. The dental profession was mentioned in terms of displaying and advertising prices. This has taken place. Now, the general practitioner profession, perceived to be a closed shop in many areas, is being opened up. The Minister has made a statement to that effect.

It is remarkable that the HSE was in a position to judge whether a practice was viable or whether it was in the wrong area or whether it should not have been in a given place. Now, if patients have a medical card or a GP card, they can go to the GP practice of their choice. This is a positive thing. Competition is about letting the market find its level. If one wishes to open up a sweet shop that is one’s own business. One does it where one wishes and if one provides a good service and a price that attracts customers, one will do well. This is what we have in this Bill as well. However, certain standards and regulations will be required for the medical profession and we all accept as much. This is an important step in developing the primary care focus that the Minister is intent on attaining. It is a central plank of the Minister’s policy.

Some GPs in the Cork area have come together to combine their practices. I have in mind one practice in particular in which nine GPs in the area have come together to provide a service. They brought their patients with them and a pharmacist has been attracted to the area as well. This is working well for the community and it allows the additional services such as physiotherapy, psychology, chiropody and so on to prosper. All of these services are attracted to the investment and the venture is providing a good service in the area.

It was stated that some GPs play golf on a Wednesday afternoon. Any of those GPs could run evening clinics from Monday to Friday and on Saturday morning. It is up to them how they spend their time and provide the service to their community. One would probably find that there are many options in the area where they work and it suits their clients to have a GP service available in the evening time and on Saturday mornings. For those working as GPs, income is based on the number of patients they see. Therefore, the harder one works, the more money one makes. However, we need competition in the area of fees.

Lists are produced annually of the amount of funding paid to individuals under the general medical services scheme. We should take a step back from these lists before examining them and one might find that one individual is named but there may be many doctors in the named

[Senator Deirdre Clune.]

practice. As usual there are always statistics and information but it depends on the aspect from which one wishes to examine them.

The most important thing about the Bill is that it sends out a message to young doctors or doctors who have gone abroad to the effect that there are opportunities for them if they have the energy and commitment to provide a service in the country. If one wishes to come here, there are opportunities and they can do it if they give it the time and the service. Individuals will always respond to service. Price may be the main element but service is an important part of it too. Consumers and patients respond well to it. This is an important signal and one of the more positive aspects of the EU-IMF agreement. The Competition Authority will be relieved that we have finally adopted one of the major policy recommendations it has sought for years.

**Senator David Cullinane:** I welcome the Minister to the House and I welcome the publication of the Bill, which I support. I fully support the Bill and I hope we will see its speedy passage through this House and through the Dáil. I will desist from raising local health issues but I call on the Minister and the Leader to arrange for the Minister to come back to the House to discuss the national health service plan. There was a debate on it in the Dáil. We will see the publication of regional plans and local hospital plans in the coming weeks as well. This serves as a good opportunity for the Minister to come back to the House to discuss these issues as well as the whole area of primary health care.

I am very much in favour of primary health care. There are many examples, such as that in Cork outlined by the previous speaker. However, there are many examples of private world-class primary health care centres. There are several in Waterford city and county in which there is an integration of GPs, physiotherapists, dietitians and weight management professionals. There are pharmacies on site and minor medical procedures are carried out. A network of world-class primary health care centres can take the pressure off our acute services. They also specialise in preventive medicine. There is a need for a reorientation of funding in respect of how we support, see and value primary health care. I hope the Minister can return to the House at some point to discuss the issue.

A previous Senator raised the issue of medical cards because we are discussing the GMS system. During a previous visit to the House the Minister stated that there was a short turn-around time for people applying for and receiving a medical card. However, our experience is to the contrary. I will not go back over the points as they have been well made by a previous Senator. However, I hope the Minister will examine the matter because, unfortunately, this is causing a major problem for people throughout the country. We are all keen to ensure that people get the medical card as quickly as possible to avoid any confusion.

There is no question but that this Bill must be put in place. While several Senators have referred to the troika's motivation, it differs from mine. It has referred to increased competition and restrictions to trade. My concern is the provision of and access to proper health care rather than a monetary concern, although economics are also important.

**Senator Fidelma Healy Eames:** We have to pay the bill.

**Senator David Cullinane:** Of course we must pay the bill, but health care should not be about profit. That is the point.

**Senator Fidelma Healy Eames:** The Senator is on both sides.

**Acting Chairman (Senator Terry Leyden):** Senator Cullinane, without interruption please. Senator Healy Eames already had her opportunity to contribute.

**Senator David Cullinane:** Health care should not be based on profit or, at least, access to health care should not be based on ability to pay, but on need. This is a fundamental principle I hold. This problem is one of the core difficulties with our primary health care system and it needs to be addressed as part of an overall patient-centred reform and rebuilding of primary care on the basis of need, equity and efficiency.

I hope, like other Senators, this Bill will keep many young GPs in Ireland and, perhaps, increase the number of GPs we have. I assume the Minister would agree that we need a more comprehensive approach to primary care and that the provision of general practitioner services is only one part of solving the problem. Other speakers mentioned the acute shortage of general practitioners here. For example, we have 52 GPs for every 100,000 people, in contrast to other European countries. France, for example, has 164 GPs for the same number, Austria has 144 and Germany has 102. These figures show GPs are under-represented here. It is no surprise that the limited number of GPs is most noticeable in areas of high disadvantage, which highlights the inequalities in our system. For example, Tallaght has 24 GPs for a population of 71,000.

I support the Bill because I want to ensure we have equity in the system and that we support greater numbers of new GPs coming into the system and improve access to it. However, I appeal to the Minister to see this Bill as only one part of the jigsaw in terms of reforming primary health care in this country. I know he has spoken about reform across the board in the context of the HSE, primary health care and acute services, but he should also be aware that many of our acute services the length and breadth of the country are under severe pressure because of cutbacks, the embargo on recruitment and the number of people leaving the public service. I do not want to raise all of these issues in the context of this Bill, so I appeal to the Minister and to the Leader to give us a commitment that the Minister will come back to discuss those issues constructively at another time, because we all have the best interests of the health care system at heart. We may disagree with where money is spent or on policy, but we all want to see the best health care possible provided for the people. On that basis, I hope the Minister gives a commitment to come back to discuss the issues I have not dwelled on today.

**Senator Michael Comiskey:** I too welcome the Minister to the House and thank him for attending and informing us of what is happening. This is a good Bill and I hope the legislation is introduced at an early date. Allowing more GPs into the general medical card scheme will improve patient access to GPs in rural areas, particularly for patients with medical and GP visit cards. With the introduction of this legislation, GPs will be able to establish practices in locations of their choice. Statistics show that 60% of the population receive GP services on a fee-paying basis and 40% receive such services under the GMS scheme. That 40% is a significant proportion of the population and it is important they have the chance now to shop around.

The enactment of this Bill will satisfy the terms of the EU agreement and will lift the restriction to trade and competition that existed in sheltered sectors. It will also eliminate the restrictions on GPs who wish to treat public patients. The current practices for allowing a GP into the GMS scheme are restrictive and outdated, as GPs can only obtain a position where a vacancy arises due to retirement, resignation or the death of a GMS scheme doctor.

I thank the Minister for being with us and for his work on this Bill, which is a move in the right direction. The Minister may not have this information, but can he let me know whether mammography services will be returned to Sligo General Hospital?

**Minister for Health (Deputy James Reilly):** I thank all those Members who have contributed to this debate and thank them for their support. It is not too often we get that level of support for a Bill.

[Deputy James Reilly.]

There is no question but that this is an important Bill and I will try to respond to the issues in the order in which they were raised. Senator MacSharry opened the debate and I welcome his support. He remarked that there is no incentive in the Bill to encourage GPs to move into poorer areas. He is correct, but that is not what the Bill is about. The Bill is about ensuring we get the highest number possible of fully qualified GPs available to all of the population. A private patient has a choice of doctor. GMS patients had a choice in theory, but if the doctor chosen was not on the medical card list, the patient would have to pay, which does not represent much of a choice. This Bill corrects this.

I mentioned in my speech that we are focused on ensuring that we address and support general practice in black spots to which it is difficult to attract GPs, such as urban deprived areas and remote rural areas. The Department reserves that right with regard to the supports it will provide. In other words, just because a doctor is given a GMS number, this does not mean he or she will get the full range of other supports that might be available. I do not wish to see a situation where, for example, we are supporting five different practices in Grafton Street. However, if the doctors want to set up there, that is fine. That is what competition is about. We have a social duty to provide primary care facilities, including general practice, to parts of the population that would not be commercially viable from the business point of view and we must honour that duty.

Senator Clune raised the issue of two-hour lunches, golf courses and half days off. I do not hold any candle for general practitioners, but I would not like people to leave this House under the impression that is the norm. In the main, general practitioners work very hard and provide a very good service. There will always be individuals who cause questions to be raised, but the tradition of golfing on a Wednesday was a reflection of the fact that the person was working on Saturday and often had to work over night. I do not agree with having doctors on call 24 hours or with working 36 hours. We do not let truck drivers work those hours and I would not like one of my loved ones to be looked after or for a life or death decision to be made by a doctor who was exhausted, who had been working all night and day and who was expected to work the following day. We are trying to get away from that, which is where group practices come in. We want to encourage group practices so that people can work different shifts.

The issue of pricing is a key part of this Bill. We have seen two new doctors start up in Killarney and they are considerably more competitive than those who are there already. We will see more of this happening. The Department has no role in the setting of private fees, nor

*I o'clock* have I as Minister. Private fees will become part of history in a few years when we roll out free primary care and GP care throughout the country for all citizens.

I take on board the point made by Senator MacSharry on the IMO. I have always maintained that it is easier to deal with just one leader. The Americans ask who they should go to when they want to talk to Europe. I look at the situation in Iraq and see that it is far easier to deal with one leader than with 25 different warlords. The IMO still has a key role and it can still discuss many aspects of care and work. However, the Department will retain the right to set the fee and it is in that regard the Competition Authority is concerned.

Senator MacSharry mentioned the issue of coronary stenting in the north west. He is correct. There is an area in the north west where we cannot deliver a similar service to that we deliver throughout the rest of the country. This is an issue I have discussed with the Northern Ireland Health Minister, Mr. Poots, with regard to cross-Border co-operation.

We have had some very good discussions and we are making very good progress, and we have discussed this issue. They were thinking of extending facilities in a hospital and there is not a big need for it. I have spoken about Letterkenny, Altnagelvin and that area, and how we

can deliver for both our communities. We are getting on very well in that regard and I look forward to more developments in that area. Not all heart attacks require thrombolysis or stenting but all ST segment elevation heart attacks would need such a procedure, which is a concern.

I worked in Sligo and the north west many moons ago and I was struck by the strength of primary care. As a result of the geographical spread of people, that health board area and subsequently the HSE were very good at supporting primary care general practice. There were many initiatives up there that I never saw in Dublin. That is not to say we do not need to improve, and we will do so.

Senator Burke spoke about the electronic medical record, and his comments are correct. There is much work being done on that currently, with several different options being examined. The one I prefer is held by the patient, and it can be updated on a GP's terminal at any time, as the GP would hold all the information in any event. There could be licensing with regard to tiers of access as, for example, a patient may not want a physiotherapist to know all the details of his or her medical care. It may be appropriate in some instances but not in others, but I will not get into examples.

The quality of care is sacrosanct and I will not undermine that concept. The Irish College of General Practitioners and the Irish Medical Organisation, to some extent, have been very good at achieving what we now have in well-qualified general practitioners. I do not want to do anything to undermine that quality, and I will not do so. That is why I made it very clear in the Bill that the application is for suitably-qualified GPs. This is not open to people who did five years of medicine in a hospital and who then decided they wanted to be a general practitioner. People will require relevant qualifications and training.

Value for money was also mentioned by Senator Burke. Some 120,000 people attend general practitioners every day in this country, with 3,500 per day attending emergency departments. One can imagine what would happen if there was a shift of 1%, as that would lead to a 25% increase in accident and emergency activity; if there was a 5% shift, everything would collapse. The person informing the Senator would be in the minority, and anybody going into general practice should be looking to expand their range of abilities in terms of suturing and working weekends. I do not know of any training course that allows anybody believe they will not have to work weekends or that they should not be able to suture a patient. It is a particular concern for me and I have asked for an audit of out-of-hours services for general practice to see how many people have been referred to hospital who should have been treated by a GP. I get a sense sometimes that doctors on call at night — I should not identify locums in particular — may be less inclined to do that suturing work and it is easier to send a patient to hospital. That is unacceptable. It is an ordinary part of a general practitioners work.

It has been mentioned by others that when a large hospital develops, as it did in Tallaght, there can be gradual deskilling of general practitioners. As the accident and emergency department is so near, people can be inclined to go in that direction and we must ensure we have the correct incentives. I take the point about group practice, which is extremely important not just because of economies of scale and the broader range of services but also because of peer group support and monitoring. There is a bit more safety for patients in that respect.

I called for the following in opposition before I became a Minister and I will see that it happens. HIQA should become involved in inspecting general practices and set standards in them with regard to premises and equipment. The process that is happening in our hospitals must spread across this spectrum. HIQA has a large job of work and we must make priorities with our limited resources but there is a clear plan set out for that.

Senator Crown and others, including Senator Healy Eames, spoke about natural justice and demographics, and I agree with those comments. Some 50% of graduates in general from

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medical schools go into general practice so we can ask where they are gone, in the same way we ask where the 50% of non-consultant doctors are gone. There is a lack of a career path both in general practice and in hospitals. I have already indicated we would address that and I am examining a report relating to the creation of a consultant grade 1 or specialist grade when a person finishes specialist registrar training. One from four specialist registrars becomes a consultant; all four are fit to be a consultant but we do not have enough jobs. Why not create a clear career path where all four move to a specialist grade and move to become consultants in four or five years? This is not meant to be a graveyard for highly qualified people, as has happened in other jurisdictions, but rather a natural progression.

I will make two important points. If people talk about indenture — holding on to medical students when they become doctors, as the taxpayer has paid for them to become doctors — it would cost approximately €150,000 to train a doctor to just beyond intern level. It would cost nearly €1 million to get them to the position of specialist registrar, and that is when we are saying goodbye to them. That does not make sense. I am sure Senator Crown would not disagree with me in saying that this is the time when many doctors are at their most productive and involved in research. We are sending them away and offering them no opportunity to stay. We could have a win-win scenario with this proposal, and these positions would be clinically autonomous, meaning such specialists would only have to report to a clinical director.

Senator Crown also mentioned primary care and a cost-effective health service, and strong primary care is at the core of the fairest of these systems. America spends more than 16% of its gross national product on health but it has the most inequitable outcomes; if a person is well off, he or she will do well, but if a person is less well off, the outlook is pretty poor. Many people could go bankrupt as a result, and we do not want to see that here. Universal health insurance will address this issue.

All GPs have worked in hospitals so they understand the hospital system to a greater or lesser extent. Many consultants have not worked in general practice and would not understand it at all, which should also be addressed. There should be understanding. Bringing GPs into hospitals to work in areas where they have an interest is an excellent idea and, equally, bringing consultants to the community to deliver care is an even better idea. Why should 30 people have to leave Balbriggan or Oranmore when one person could travel the other way?

There was a comment on the two-tier system. Mr. Dale Tussing, an American economist, considered this when the capitation system was introduced and his fear was that with a two-tier system of payment there might be a two-tier system of care, like there are in hospitals. He remarked in the late 1990s that it had not happened, much to his pleasure and surprise. There are lessons in this respect as the two-tier system might come about in one area but not another. We are looking to address the issue through universal health insurance, where everybody will be a private patient and treated the same. People will not have to worry about whether they can afford care, as that will not be a determinant.

Senator Kelly spoke about private fees for letters and social welfare certs, although such certs should not give rise to fees. The medical card and the primary care reimbursement service is a significant area of contention. I know that when I stood here last I indicated that I had been informed that the process was improving. I accept that did not become the case. Last week I visited the service and met Mr. Burke. I am aware that he apologised on radio for the way things have gone and he has taken a different view. As a result of a request from me he has slowed down the review process to deal with the realities he is facing with regard to the volume of numbers he must deal with.

There is no question about the card of anybody on social welfare. People will keep their card until the review is complete, as opposed to losing a card until the review is complete. In fairness to Mr. Burke, we must all acknowledge that 21,000 people had not responded to contact from the service by the end of January this year. Some 4,000 of those people had not had any activity on their medical card in two years. The service has already tried to contact these people twice and a third letter will be sent. We will have hard individual cases, and there may be people who do not go near a GP because they are so well despite having a medical card. They are few and far between.

How will he behave, and how will the Members of this House and the other House behave, if he is challenged at a meeting of the Committee of Public Accounts by Deputies asking him to explain why doctors received payments in respect of 4,000 people who did not use their cards for two years and did not respond to the letters that were sent to them? He might be expected to explain what sort of probity is involved in that.

There are two sides to this story. It is not simple. We want to ensure those who need medical cards, have medical cards and are entitled to medical cards keep them and are not discommoded. We have put in place several new initiatives to ensure they are not discommoded. There is a probity issue here. We cannot pay doctors for people who are not in the country anymore. That is half the point.

I would like to move on to speak about community employment schemes and the guidelines for the medical card. As I have said, we are moving in a determined and ordered fashion towards full general practitioner cover for all. Cancer patients are not on the long-term illness scheme. Leukaemia patients are on it. I have spoken about doctors who work inordinately long hours. It is not something I want to see or stand over. We know that mistakes will happen.

Senator Barrett mentioned what the troika had to say about fees. This is a difficult area. There are many apples and oranges in this scenario. The supports that are given to doctors in Belgium and France are very different from those that are given here. As the Senator knows, all of this will become historic when free general practitioner care is introduced over the next three years. I have mentioned that I am concerned about locums and the deskilling of general practitioners.

Senator Barrett also referred to the important Milliman report on the VHI. Milliman has been engaged by the VHI to further address its cost base. I have said in this House and the other House that I am not happy about the way the insurance companies are dealing with the cost of the provision of private care. Everybody seems to be buying into the current medical inflation rate of 9% per annum, but I am not. I do not believe it has been verified or justified.

**Senator Fidelma Healy Eames:** Good.

**Deputy James Reilly:** Although I am not entitled to interfere in the day-to-day running of the VHI, as its sole shareholder I will demand on behalf of its customers that there should be serious discounting of the fees charged by consultants when they carry out procedures in private hospitals that could and should be carried out in primary care facilities. I do not mind whether such procedures are carried out by consultants or general practitioners. It is utterly unnecessary for this side room fee to be attached.

Issues relating to administration and the costing of things also need to be considered. Procedures have changed and become more efficient. If I mention any particular procedure, a certain group of individuals will be very cross with me again. I do not want that to happen. I believe everybody is doing their work as best they can. We need to revisit many of the things that are happening. I will not get into the specific details. Everybody knows that archaic payments are being made for many things that often do not require the presence of a doctor. One

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of the clearest and easiest things that is done in our hospitals is phlebotomy, or the taking of blood from people who have haemochromatosis and need to have a pint of blood taken from them at regular intervals. The VHI pays a big fee for this, even though it is done by a nurse most of the time. It should not be done in hospital. It should be done in general practice. Many such matters have to be addressed.

I have covered the question of the centralisation of means testing for medical cards. I remind the House that local staff who have an understanding of people's needs and requirements were left in place to deal with people. There was a concern and a worry that people would have to deal with a computer, which would be very disengaging.

Many speakers, including Senators Crown and Barrett, expressed concern about the health professions admission test. I am very unhappy about it because it is grossly unfair. I am prepared to say publicly that all it has done is led to the development of another industry and another course. I know of people who failed it the first time but passed it the second time after taking a special course. I want to see it changed. I will discuss that with the Minister for Education and Skills. If somebody who wants to study medicine works hard enough to get 600 points in the leaving certificate, that should be acknowledged. I accept Senator MacSharry's point that people who get 600 points are often pushed by their families into studying medicine rather than history, politics or something else. That can happen. If such a person wants to study medicine, however, he or she has bloody well earned the right to do so.

**Senator Marc MacSharry:** The Minister is an exception in that regard.

**Deputy James Reilly:** Absolutely. I have nothing but admiration for young people who achieve 580 points in the leaving certificate. When one thinks about it, one will appreciate that they must operate with a 3% margin of error. It is an extraordinary achievement by any standard. My view is that if people have achieved that, they are entitled to study medicine.

**Senator Fidelma Healy Eames:** Absolutely.

**Deputy James Reilly:** I have covered the question of social justice, which was mentioned by Senator Healy Eames. I reject the suggestion that we said we would pass this legislation in the third quarter of 2011. We said it would be published in that quarter. Senator Byrne also spoke about this point.

Nobody is more keen than I am to see this Bill passed expeditiously. People are wondering whether we are serious. There have been many false dawns in the past. I assure the public that we are absolutely serious. We are serious about the specialist grade as well. I do not want excellent Irish doctors to leave this country. We need them here. When this Bill has been passed and we have clarity about the other issue, I hope to be in a position to send out a call to doctors to come back to this country. Senators are familiar with the rugby song, "Ireland's Call". I will issue my own "Ireland's Call" to bring our medical professionals back.

I remind Senator Byrne that I never promised a regional hospital in the north east. I am not involved in any negotiations on it. Others may be pursuing that agenda, as is their absolute entitlement and right. I remind the Senator that his former colleague, Dermot Ahern, said not a red cent was available for the hospital. My only comment in that regard is that it is a pity he did not tell us there was not a red cent left in the Government coffers.

Senator Clune spoke about people who play golf. I have covered that and I concur with her comments.

Senator Cullinane referred to the national service plan. I will return to the House to discuss that. I am pleased the Senator supports the Bill and the concept of primary care. He was right to say there are at least two excellent clinics in Waterford city. Groups of doctors have come together to provide a wide range of services that would not otherwise have been available in primary care. If a primary care facility is near a big hospital, it takes huge pressure off that hospital. It can be far more convenient for patients to go to a primary care centre. It is less intimidating for them to see a doctor or other member of staff in a building with which they are familiar. Even if they have to see a different doctor, they are still in their own space. It is not like going to a different location entirely.

I share Senator Cullinane's view that the health service should be predicated on need rather than on ability to pay. I am glad he shares my view. The ratio of general practitioners to the overall population is a concern. I hope this Bill will help to address that issue. The Senator mentioned Tullaght, which is an area of concern. We have had difficulties in Fettercairn in the past. This legislation will make it easier to deal with such matters. No negotiation with anyone will be required. I hope we will be successful when we offer packages to bring general practitioners to such areas. This feeds into the principle that patients should be treated at the lowest level of complexity that is safe, timely, efficient and as near to home as possible. That principle, which has been my mantra from the outset, underpins everything we are doing.

Senator Comiskey mentioned those who have to wait for a general practitioner to retire or die. It is a deplorable way to run a system. It is deplorable when it happens in the hospital system as well. It is crazy that excellent people who have studied really hard and have finished their specialist registrar training should have to wait in no-man's land until somebody retires or dies. This legislation will go some of the way towards addressing the primary care side. I hope we will be able to address the personnel deficits on the specialist side as well. I commend the Bill to the House. I thank Senators for their support.

**Acting Chairman (Senator Terry Leyden):** I thank the Minister for his comprehensive response.

Question put and agreed to.

Committee Stage ordered for Wednesday, 22 February 2012.

*Sitting suspended at 1.20 p.m. and resumed at 3 p.m.*

### **Energy (Miscellaneous Provisions) Bill 2011: Second Stage**

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

**Minister for Communications, Energy and Natural Resources (Deputy Pat Rabbitte):** I hope I have not detained the legislative side of the Upper House. I commend the Energy (Miscellaneous Provisions) Bill 2011 to the House and I am pleased to commence the debate on the Bill in this House. As I have previously stated, while this is an important Bill, it is not controversial. It is the result of a review by my Department of various Acts.

Before addressing its main provisions, I remind Senators of the purpose of the legislation. It is a Bill designed to revise, consolidate and expand existing energy legislation in areas such as the theft of electricity and gas and LPG safety to reflect the current structure of the market. It is also proposed to restate energy efficiency and other provisions that are currently provided for in secondary legislation. The Bill, the enactment of which will result in more robust energy legislation, was broadly welcomed in the other House.

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Energy efficiency is an area of increasing investment and innovation. The Bill proposes to provide for the establishment of an energy efficiency fund which may be funded through contributions from energy suppliers, subject to an energy saving obligation. The fund's objectives will be to support the delivery of energy efficiency programmes and measures and promote the development of a robust market for energy services. This will be an important element of future funding mechanisms as we transition from State supports to a pay-as-one-saves framework, which is currently under development.

To facilitate concerns raised by Deputies on Committee Stage, a Government amendment was proposed and accepted on Report Stage in the Dáil. The amendment provides that the proposed energy efficiency fund may be used for the alleviation of energy poverty. I was pleased to reach an accommodation in regard to the suggestions on energy poverty proposed by Deputies on the opposite side, which ultimately strengthen the provisions in the Bill.

On actions to mitigate energy poverty, it should be noted that the Better Energy: Warmer Homes scheme remains open to eligible applicants. My Department is introducing changes in the structure and eligibility criteria of the programme to reflect the Government's affordable energy strategy which was published at the end of November. Priority will be given to households considered to be in extreme energy poverty, namely, those which spend more than 20% of their disposable income on energy. This initiative will ensure that those most in need will be the first to receive the benefit of energy efficiency measures.

In this regard, the interdepartmental group on affordable energy will work quickly with community based organisations and other relevant parties to finalise new eligibility criteria which ensure State resources are directed where they can deliver the greatest good. Demand for the Better Energy: Warmer Homes programme has grown to exceed available resources and it is necessary to innovate to ensure the resources available are directed at those who can benefit most.

Since 2006, some €81 million has been expended on providing energy efficiency improvements in more than 80,000 homes under the Better Energy: Warmer Homes programme, which is administered by the Sustainable Energy Authority of Ireland, SEAI, on behalf of my Department. My Department and the SEAI had a target of 20,000 homes in 2011. By year end, a total of 20,388 were completed, which equates to energy savings for recipients of approximately €2.62 million. The SEAI advises that more than 5,800 full-time jobs were being supported in 2011 and we expect to support 4,500 full-time jobs this year. Energy efficiency is an area of increasing investment and innovation in Ireland. Improving energy efficiency will pay dividends for the environment, energy security and competitiveness while also contributing towards meeting our European target of 20% energy efficiency savings by 2020.

The Bill proposes to further expand the functions of the Commission for Energy Regulation, CER. Since its establishment in 1999 with responsibility for electricity regulation, the remit of the energy regulator has expanded considerably. This is partly a consequence of European Union Internal Market legislation. We now have a strong, independent energy regulator. Most recently, the Petroleum (Exploration and Extraction) Safety Act 2010 gave the regulator responsibility for upstream gas safety.

The enactment of the Energy (Miscellaneous Provisions) Act 2006 gave the Commission for Energy Regulation responsibility for downstream gas, LPG and electrical safety. While the electrical and gas safety regime is now fully operational, it was found necessary to amend the 2006 Act to ensure LPG provisions adequately addressed the safety regulation of LPG and did not result in duplication of Health and Safety Authority and Commission for Energy Regulation functions. A two phase approach was undertaken. Amending legislation was enacted last

year through the Energy (Biofuel Obligation and Miscellaneous Provisions) Act, which provided for the extension of the natural gas safety framework to LPG installers. As of June 2011, it is an offence for anyone to carry out LPG works unless he or she is a registered installer.

The LPG provisions in this Bill constitute the second phase of LPG safety legislation. In summary, it is proposed that the regulator will regulate the activities, from a safety perspective, of those LPG undertakings which make LPG available to domestic consumers via a piped distribution network. These entities supply LPG to housing estates and are generally located in areas not served by the natural gas network. The regulator will also have responsibility for promoting LPG safety. The proposals in this Bill, if enacted, will result in all aspects of the LPG chain being regulated from a safety perspective.

I will now outline the provisions of the Bill. For the convenience of the House, a detailed explanatory memorandum has been published and this provides a synopsis of the provisions. The Bill consists of 22 sections. Section 1 contains standard provisions concerning the Short Title and commencement. Section 2 provides for a number of definitions for ease of reference.

Sections 3 and 4 propose, following legal advice from the Attorney General, to restate in primary legislation superannuation provisions relating to certain employees of the ESB and BGE who transferred to EirGrid, ESB Networks Limited and Gaslink Limited. The proposals do not go beyond provisions set out in four sets of ministerial regulations made since 2000.

Section 3 proposes that an employee of the ESB whose employment was transferred to EirGrid and who was immediately before the transfer a member of a superannuation scheme can continue to have his or her superannuation benefits and the contributions payable in respect of his or her superannuation scheme membership paid out of, or into, the ESB fund into which that person was before the transfer paying superannuation contributions. An employee of the ESB who transferred to ESB Networks Limited and who was immediately before the transfer a member of an ESB superannuation scheme may continue to be a member of that scheme. Section 4 proposes that former employees of Bord Gáis Éireann who were members of a BGE superannuation scheme and who transferred to Gaslink Limited may remain in the BGE superannuation scheme.

Section 5 proposes to amend sections 15 and 16 of the Energy (Miscellaneous Provisions) Act 1995 by extending existing theft of electricity and gas provisions to independent suppliers and to the customers of those suppliers. This provision is required to reflect the current structure of the marketplace where a number of independent energy suppliers are operating in a competitive market. Irrespective of the energy supplier, it will become an offence for a person to interfere with an electricity or gas meter. The section also includes a new provision in respect of deemed contracts of supply, subject to safeguards. The aim is to provide, subject to strict criteria applying, for the recovery of debts by energy suppliers from the owner or occupier of a premise that has been consuming gas in the absence of a contract to supply energy being in place.

Sections 6 to 8, inclusive, propose a number of amendments to the Electricity Regulation Act 1999. The objective is to strengthen the enforcement powers of the regulator in regard to electrical and gas safety. Section 6 proposes to give powers to the regulator to appoint electrical investigation officers who will have powers to investigate unregistered electrical contractors and to also investigate designated electrical works from a safety perspective. Section 7 proposes to give powers to the regulator to require electricity undertakings to provide information on electrical safety to their customers and to the public.

Section 8 proposes, for the avoidance of doubt, to clarify the investigative powers of gas safety officers in regard to the investigation of gas works carried out by gas installers. Section 9 is a minor technical amendment relating to sections 9L, 9M and 9N of the 1999 Act. It

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restates sections 9L and 9M of the Act which provide powers to the regulator to require energy undertakings to ensure that tariffs are energy efficient. The provision also obliges energy suppliers to provide clear, easily understandable and informative details in consumer bills. These obligations are currently set out in the European Communities (Energy End-use Efficiency and Energy Services) Regulation 2009. The provision does not go beyond the 2009 regulations. The section also includes a second minor technical amendment relating to section 9N and Part IIA of the same Act.

Sections 10 to 16, inclusive, relate to energy efficiency. They provide for the restatement in primary legislation of provisions set out in the European Communities (Energy End-use Efficiency and Energy Services) Regulations 2009. The proposals in this Bill concern Part 5 of the regulations which relate to an energy efficiency obligation scheme for energy suppliers and distributors. I already referred to the fact that the proposals will provide a legal framework for the setting of energy efficiency targets to be met by energy suppliers and distributors. This will be achieved through the provision and promotion to customers of energy services and energy efficiency improvement measures. An energy efficiency fund may be set up which will be managed by my Department or an agent of the Department.

Sections 17 to 19, inclusive, propose a number of amendments to the Electricity Regulation Act 1999 relating to LPG and natural gas safety. The proposals in this Bill aim to address remaining safety gaps in the LPG chain that are not already regulated by the Health and Safety Authority or any other agency. The LPG proposals of the Bill extend the regulator's safety function to the safety regulation of LPG undertakings that make LPG available via a piped LPG distribution network to domestic customers.

As part of the enforcement regime, it is proposed to provide for a safety licensing regime to be administered by the regulator. The regulator will also have responsibility for promoting LPG safety. Gas emergency officers appointed by LPG undertakings will be provided with powers to investigate LPG leaks and defects to fittings.

Section 18 sets out enforcement provisions where a natural gas or an LPG undertaking is not operating in accordance with the safety framework or has contravened or failed to comply with safety requirements. The approach is based on the model applying to upstream gas safety as provided for in the Petroleum (Exploration and Extraction) Safety Act 2010.

Where a natural gas or LPG undertaking is not operating in accordance with the regulator's safety framework, the Commission for Energy Regulation may issue directions to an LPG undertaking requiring it to submit improvement plans. Where more serious safety issues arise, the regulator may serve improvement notices and prohibition notices.

The regulator may deem the activities of an undertaking to be so serious as to involve a risk to safety of human life, the safety of gas or LPG infrastructure or of property. In such cases, the regulator may make an application to the High Court for an order prohibiting the undertaking of activities by the LPG or gas undertaking until specified measures have been taken to reduce the risk to a low level.

It is also proposed that the regulator will be given powers to make regulations relating to the reporting and investigation of LPG incidents involving death or injury to persons or loss or damage to property resulting from the use, misuse, abuse, leakage, combustion or explosion of LPG. Section 19 proposes that the regulator may impose an annual levy on the holder of an LPG safety licence for the purpose of meeting expenses incurred by it.

Section 20 was introduced by way of a Government amendment on Committee Stage in the Dáil. It enables the Minister for Communications, Energy and Natural Resources to, by order, dissolve certain non trading statutory subsidiaries of Bord Gáis Éireann. The non-trading sub-

sidiaries concerned are City of Waterford Gas Company, Clonmel Gas Company, Cork Gas Company and Limerick Gas Company. All of these subsidiaries were established pursuant to statute and as the establishing statute did not provide for a winding up mechanism, they may only be dissolved by means of statute. None of the companies is trading nor has any employees. All the property rights and liabilities of the four companies were vested in Bord Gáis Éireann 1997. BGE does not anticipate that the subsidiaries will have any assets or liabilities at the time of dissolution. However, as a safeguard, it is deemed prudent to include in the legislation standard transitional provisions regarding the transfer of any assets and liabilities to BGE. The winding-up of the four non-trading subsidiaries is in the interest of the good corporate administration of the BGE group, and will remove an unnecessary administrative and corporate compliance burden.

Section 21 of the Bill provides for an amendment to the National Oil Reserves Agency Act 2007. The amendment is in regard to the time limits set out in that Act in order to allow the agency to perform its functions more effectively with respect to biofuel certificates, and to facilitate co-operation and the provision of information by oil companies in respect of oil contingency planning.

Subsection (6) of this section proposes to insert a new section into the NORA Act of 2007 to ensure that the Minister has the *vires* to develop a contingency plan to allow a national response to an oil supply disruption. It also imposes a general duty on oil companies to work with the Minister and the National Oil Reserves Agency and other relevant public bodies in the development of national oil supply disruption contingency plans. Oil companies will be required to provide information to assist in the preparation of contingency plans and the response to an oil supply disruption.

Section 22 of the Bill provides for the correction of minor typographical errors in energy legislation. It also provides for the repeal of section 11 of the Electricity (Supply) Act 1927, and of section 17(2) of the Gas Act 1976. The latter repeals are proposed on the grounds that they are obsolete provisions which have been superseded by more up-to-date provisions.

This Bill is an important measure in delivering on our targets for energy efficiency. Furthermore, the Bill's safety provisions will deliver benefits to consumers and to the public in general. I look forward to working closely with the regulator on ensuring the speedy implementation of the Bill's provisions, following enactment.

**Senator Paschal Mooney:** Cuirim fáilte roimh an Aire. I welcome the Minister to the House yet again. I endorse what he said in his opening remarks that this important legislation has passed all stages in the other House without any controversy. The minor amendments tabled in the Dáil, important as they are, have been accepted by the Minister. I hope it will have an equally speedy passage through this House. For our part on this side of the House, we will be supporting the broad thrust of the measure.

The unstated objective of this Bill concerns our future energy needs. There are those who prophesise that if there are to be any further wars — and please God there will not — they will be fought around three ingredients: food, energy and water. I suggest that the Bill is coming before us in that context. It is to help us comply with the EU objective that Ireland will increase an increase of 20% energy efficiency by 2020. I am sure the Minister would agree that that is a somewhat modest ambition in light of the time involved and the fact that we are a relatively small island, although our population is expanding. In addition, the unbundling and deregulation of the electricity market has allowed many independent contractors into it.

I wish to deal with one or two particular issues. Last May, the Minister launched the Better Energy — National Upgrade programme last May in the context of the Government's jobs

[Senator Paschal Mooney.]

initiative. In his presentation, he said his Department is introducing changes in the structure and eligibility criteria of the programme to reflect the Government's affordable energy strategy, and that the warmer homes scheme remains open to eligible applicants. Perhaps he can clarify that point. I understand that there are currently 8,546 homes nationwide on the better energy warmer homes waiting list. Will the Minister indicate what will happen because there has been a reduction in the budget proposals for 2012?

I acknowledge that in the early part of last year, after a few months in government, the Minister said he had received an additional €30 million from the Minister for Finance which was allocated as part of the jobs initiative to the Better Energy programme. He also said that an additional 2,000 jobs would be created in 2011 on top of the 3,800 jobs already supported. However, budget 2012 shows that there has been an average 35% reduction in grants which implies cuts of almost 2,000 jobs. It does not seem therefore that it was even budget neutral; it looks like we have gone into reverse. Despite the Minister's best efforts in convincing his colleague, the Minister for Finance, to give him €30 million last year, all his good work seems to have been undone. Perhaps he might clarify that matter in his response. Nonetheless, I fully acknowledge the difficult job he is going in trying to keep his budget in line with the Government economic targets, as well as the fact that we are broke and must find €20 billion annually to make up the gap.

I also wish to raise with the Minister the impact of rising energy costs. A recent Irish League of Credit Unions survey found that one in four cannot cope with rising energy costs, that 15% must dip into their savings in order to deal with such costs. Some 8% said they were unable to cover household bills. We are hearing a lot of anecdotal evidence but I have always been somewhat wary of that. To put this in context, I remember many years ago there was a major debate going on about copyrights. The retail outlets were opposing the Irish Music Rights Organisation's attempts to protect the rights of songwriters from whom they took licences. The opponents of the proposal at the time cited the little old lady in a shop in the west who listened to the radio for comfort. The fact that she was pumping out music on the radio meant that she was legally obliged to pay the copyright on it. I am wary therefore when I hear similar stories about energy poverty. While I do not doubt that it happened, the most recent one I heard puts it in context. It is about the little old lady burning CDs in her fireplace in order to keep warm. I am not saying it did not happen, but we need to bring a certain balance into extremes of rhetoric. I like to think we are a country that looks after the most vulnerable in our society, in spite of the economic difficulties we are facing. There are — and should be if there are not — sufficient State supports to ensure that such an individual does not have to burn CDs in the grate to keep warm. The story, however, points up the reality of rising costs and especially energy costs.

My late mother — whose third anniversary falls this week — used to reduce the heat at home. She was in her eighties but she used to reduce the heat even though she did not need to do so for financial reasons. There was nonetheless a culture among the older generation that somehow they do not want to be seen to burn up too much electricity, yet it then has an adverse effect on their health. This arises in the context of information that is being provided concerning energy efficiency. I know the Minister is obliging the energy suppliers and distributors to provide more information. Even though we do have a competitive energy market with independent suppliers and distributors involved, I would hate to think that despite the costs involved, and bad and all as things are, that the Government would not reach out to those who are experiencing energy poverty. Perhaps this is more a matter for the Minister's colleague, the Minister for Social Protection, Deputy Burton. In any case, the State should help such people locally and nationally.

The Minister is extending the existing electricity and gas provisions concerning theft, to independent suppliers and their customers. I am assuming that existing legislation will apply to the traditional suppliers and that now because the market has been deregulated, it will go to the independent people. There is more than anecdotal evidence to suggest that people have been tampering with meters around the country. There is no question but that that is happening. I am glad to see that the Minister's inspectors will have some involvement in that process.

The other point concerns the legislation extending the offence provision to all electricity and gas consumers, irrespective of the supplier. Perhaps the Minister can outline what the experience has been to date. How significant is electricity theft? I know the Minister is touching on it in this legislation, but how widespread is it? If legislation is being introduced to extend it to all energy suppliers and distributors, it would suggest that it is pretty widespread. At the end of the Minister's presentation he referred to the powers the Minister will be given under this Act regarding the security of energy supply. Section 21(6) proposes to insert a new section to ensure the Minister has the legal right to develop a contingency plan to allow a national response to an oil supply disruption. Perhaps the Minister can take the opportunity in his reply to the debate on Second Stage to give the House an update on the consequence of his request to the EPA for an investigation into the environmental and other impacts of hydraulic fracking. This is an area of growing controversy and in the context of the security of energy supply, it affords him an opportunity to provide us with updated information on the investigation into the safety or otherwise of hydraulic fracking and whether the drilling licence will be given to licensed companies.

**Senator Tony Mulcahy:** I welcome the Minister back to the House. *The Daily Mail* said that I did not have much to say for eight months but I am making up for it in the past five weeks. There are many reasons this Bill is necessary — fairness, theft of energy, energy safety in electrical, LPG and natural gas fields, and to encourage energy efficiency and combat fuel poverty. The EU required member states to unbundle both the electricity and gas transmission and distribution system operators under Directive 2003/55/EC and Directive 2003/54/EC. Then, SI 280 of 2008 applied to ESB Networks Limited, SI 445 of 2000 applied to EirGrid and SI 760 of 2005 concerned Bord Gáis and Gaslink. When this happened, some workers who worked for ESB or Bord Gáis moved to the new entities. This Bill is to ensure that former ESB workers who have paid into the ESB pension fund and who now work for either EirGrid or ESB Networks are entitled to access those pension funds once they retire. It will be a similar scenario for former members of Bord Gáis who now work for Gaslink. This will be enshrined in primary legislation. This ensures that these workers are treated fairly by the State. The Bills affected include the Electricity Supply Board (Superannuation) Act 1942 and the Gas Act 1976.

In response to Senator Mooney, theft of energy, whether gas or electricity, is hard to quantify. The CER believes that it could be costing consumers in the electricity market up to €30 million annually. In the UK, the theft of electrical copper cable used for signal transmission is a serious issue on railway lines. It is a potentially fatal practise for those engaged in it and for those using the railways. Those who steal electricity or gas must be identified and made to pay for what they have taken. One of the provisions is that they are deemed to be in a contract with the supplier. Those convicted of theft by the courts can face fines up to €150,000 and from six months to five years in jail. The Bill allows for certain bodies such as CER inspectors and energy transmission or transmission system operators to enter into and search land, premises or vehicles where theft of energy is suspected. Inspectors will be allowed to enter dwellings where they suspect such activity is being carried out without a warrant only where they suspect that while a warrant is being sought, equipment used to carry out the theft will be removed or destroyed.

[Senator Tony Mulcahy.]

Criminality, whether white collar or blue collar, is a crime and should be punished. The Bill will allow for the recovery of moneys owed. Bills that will be affected are the Energy (Miscellaneous Provisions) Act 1995, the Electricity Regulation Act 1999 and the Gas (Interim) (Regulation) Act 2002.

Too many times, safety is an issue that comes to the fore after an accident has happened and when a life is lost or someone is injured. Unfortunately, accidents do not happen by themselves; rather, they are caused. The best form of protection is prevention. The CER has a safety role in Ireland as we previously discussed in this House during the debate on the Access to Central Treasury Funds (Commission for Energy Regulation) Bill 2011. That related to the offshore petroleum extraction industry, whether oil or gas. This Bill will involve strengthening the role under the Electricity Regulation Act 1999 with regard to the powers to appoint electrical investigation officers as per the Energy (Miscellaneous) Provisions Act 2006 and also to deal with the appointment of gas safety officers as per the Gas Interim (Regulation) Act 2002. Under this Act, inspectors will have the power to enter such locations where they believe electrical work has been carried out to ensure that it has been carried out to the proper standards. Failure to comply with instructions from the inspector could result in fines up to €15,000. In consultation with the Minister, CER will establish an LPG and natural gas safety regulatory framework. Inspectors will be appointed to investigate incidents and to ensure that gas works are carried out to the standards set out in legislation. As mentioned before in regard to the electricity inspectors these personnel will be empowered to carry out certain functions for the common good.

Safety is of paramount importance. Energy suppliers and those working with energy equipment that will be used by the public have a duty of care to ensure the equipment is installed correctly. Those found to be in breach of the regulations face fines up to €15,000 or up to three years in jail. CER inspectors will be authorised to issue improvement notices and prohibition notices in certain circumstances if deemed necessary. Those found in breach of these notices can face fines up to €25,000. For LPG and natural gas in certain serious situations, fines up to €500,000 will be imposed. Fines should be proportionate to the ability of the guilty to pay and big companies with deep pockets should face big fines. There must be a deterrent for those who break the law.

As with all relevant sections of this Bill, the courts can be appealed to if a party believes that an action by the CER or the Minister is unjust. Other features of the Bill allow the CER to instruct energy suppliers to make their bills to customers clear and easily understandable. Energy suppliers can also be instructed to have a comparison on the bill of the customer's current energy consumption with that of the same period the previous year and the ability to compare the energy consumption of the consumer with that of an average benchmarked consumer. This will enable people to adjust their consumption if there is unnecessary use of energy.

Fuel poverty is of concern to every Member in this House and a household is considered to be energy poor if it is unable to attain an acceptable standard of warmth and energy services in the home at an affordable cost. If a household is spending 20% of its disposable income on energy services then it is in a situation of severe fuel poverty. With rising fossil fuel prices on the world market, it is getting harder for families and those on low incomes to heat their homes. We need to look at how we pay the fuel allowance to vulnerable families and especially to our elderly. This allowance is currently taken up by some 390,000 households. These are the groups that spend a lot of their money on heating. Elderly people who live alone are usually in properties that are very hard to heat because when they were built standards of insulation were non-existent. The Government has looked at this in the report *Warmer Homes A Strategy for*

Affordable Energy in Ireland, which the Minister published last autumn. Proposals in this Bill are part of that strategy, along with policy from Europe.

Regulation 2 of the European Communities (Energy End-Use Efficiency and Energy Services) Regulations 2009 sets out how we should encourage energy efficiency for the consumer. By reducing the percentage of our disposable income we need to spend on energy, we will reduce the levels of fuel poverty in Ireland but the Government alone cannot solve this problem. Energy companies working with the State must play their part. This Government and the last Government have brought in measures such as the grant schemes as distributed by SEAI to help households reduce their energy consumption. The Minister has allowed for the creation of an energy efficiency fund, financed by the energy supply providers. These companies will have to deliver energy efficiency programmes and to encourage their customers to improve the energy efficiency of their homes. Companies will be able to offer competitively priced energy audits and show how customers can reduce their bills.

Information is the key to all the measures proposed in this Bill. By informing consumers of alternatives, we will empower them. Energy providers will also have to look get their house in order. The days of uncontrolled waste of energy are over. Money will have to be invested in the infrastructure that the power companies own to reduce losses of energy. We have to encourage more investment in the renewables sector, which is not being harnessed enough. Savings achieved must be passed on to the consumer.

I remind Members that, while we may disagree on ideology, this Chamber can come up with ideas that will challenge the *status quo* in the energy debate, as seen from last week's Private Members' debate. I refer to fracking. Last week we discussed having an informed debate when the report is back and the consultation has taken place. Then, we will have knowledge about it rather than knocking something before we find out about it.

**Senator John Whelan:** I, too, welcome the Minister to the House. He is continuing his very important work and legislative programme. This is a positive and constructive Bill as it addresses a diverse and vast range of issues. It amounts to a housekeeping exercise for the energy sector and associated issues. I am glad the Bill is deemed to be so progressive and constructive that there are scarcely any grounds for dissenting voices. We will keep our fingers crossed. While there is a modest turnout in the House I am glad some Senators are not present because stag hunting or septic tanks would be thrown into the mix.

**Senator Darragh O'Brien:** A Minister of State mentions stag hunting any time he is in the House. I am setting the record straight; I am sure Senator Whelan does not mind.

**Acting Chairman (Senator Paul Coghlan):** Senator Whelan, without interruption.

**Senator Darragh O'Brien:** He is from Meath, in case anyone did not know who I was talking about.

**Senator John Whelan:** I spoke too early.

It is vital in the area of energy provision, just as in the provision of other resources such as water, that we not only address the challenges of generation and transmission but conservation and efficiency, which are equally important. It is to be welcomed that the Bill places a huge emphasis, as well as legal responsibility and responsibility, on energy supplies and distributors to fulfil and honour energy demand reduction targets. That is very important.

The Bill is also designed to address and consolidate measures in place to curb the theft of electricity and gas from the grid, which is important in terms of efficiency and an effective

[Senator John Whelan.]

return on what is, after all, the State's investment and taxpayers money, in terms of the roll out of these utilities.

In a related matter, I commend the Minister for introducing the scheme last year whereby no energy supplier or utility would disconnect families, especially in view of the particularly harsh weather we had last winter. We escaped relatively lightly this year compared to our neighbours in Europe. I note in parts of Poland, where I have family, temperatures have fallen to -35° Celsius.

The new policy of working with customers rather than cutting them off is to be welcomed. Some utility companies were far too hasty in the past to disconnect families. Metering and pay-as-you-use payment plans can be used to assist families to manage their household budgets. I note Senator Cassidy's remarks on people being forced into a terrible situation of burning CDs and other such items.

**Acting Chairman (Senator Paul Coghlan):** We do not have a Senator Cassidy.

**Senator John Whelan:** I meant Senator Mooney. It was a Freudian slip.

**Acting Chairman (Senator Paul Coghlan):** We are correcting the record.

**Senator Paschal Mooney:** I do not wear glasses and I do not have red hair.

**Senator Darragh O'Brien:** Just move on.

**Senator John Whelan:** I could come up with a few CDs which deserve to be burned. The Senator put one forward for consideration.

**Senator Paschal Mooney:** I will not include Foster and Allen. They are great ambassadors for the country.

**Senator John Whelan:** I hope Senator Cassidy is not referring——

**Acting Chairman (Senator Paul Coghlan):** It is Senator Mooney.

**Senator John Whelan:** ——to the statutory instrument——

**Senator Paschal Mooney:** Remember Oscar Wilde.

**Senator John Whelan:** ——currently before the House, in his reference to the Minister of State, Deputy Sherlock, and the copyright issue.

I also commend the Minister for identifying installation and refit as key areas in supporting families, through the warmer homes initiative, as an effective and efficient way of tackling fuel poverty. In tandem with these measures, it is excellent news that the Bill, as it has evolved through the Houses, has accepted amendments to make provision that resources from the energy efficiency fund may be utilised for the alleviation of energy poverty. It is an important provision which is to be welcomed.

I am also glad that the Bill restates, in primary legislation, the pension entitlements of employees from Bord Gáis and the ESB who have transferred to other companies like Gaslink, ESB Networks and EirGrid. It is vital for worker confidence when there are such transitions, reforms and restructuring in the semi State sector. The Minister and Department will be involved in other such reforms and consolidations as they affect strategically important companies such as the ESB, Coillte and Bord na Móna.

It is vital that there is no apprehension or doubt in workers' minds about their superannuation and pension entitlements. Their pensions must be secure as they transfer or are diverted to other companies or new bodies that have been set up. Apprehension could serve to put in place an impediment or a reluctance to comply with such important changes as we strategically develop these companies. It is important that there is a smooth transition.

I know from first-hand experience that workers in the private and public sectors are anxious that, having paid into pension funds for over 30 years, when they seek to avail of their pension entitlements they are told they are now underfunded. I commend the Minister for addressing that issue for workers in semi-State companies. They can rest assured about the security of their pensions.

It is very important that the Bill addresses installation and safety around LPG and electrical contractors in the sector. The last thing we need are cowboys chancing their arms fitting out homes and other installations. We have seen far too much of that from some sectors of the construction industry over the past decade.

**Senator John Crown:** The paths of the Minister and I crossed slightly on the last occasion he was before the House. I will take a slight liberty in bringing up another issue we discussed when the Minister of State, Deputy O'Dowd, was substituting for the Minister.

As I have stated, strategically the Minister's Department is perhaps the most important of Government because he has executive control over a branch of policy which, at the risk of being over dramatic, has existential indications for our species. There is a tendency on the part of contemporary commentators to sometimes ignore the fact we are facing profound energy problems in the absence of new technologies being developed.

They may be developed but those of us involved in technology understand they may not be within a meaningful timeframe for us, our children and our grandchildren. If we are depending on the kind of energy resources we are now we will be in very serious trouble, even allowing for the normal increase in consumption which is occurring, as bigger parts of the world become developed, coupled with the fact that two or three of the most critical nonrenewable energy sources upon which we rely, will run out.

The most spectacular will be oil, which we know is probably at or near peak already. It is at a past peak of the kind of financially extractable oil that we have had on land over the past 60 to 70 years. We will find that even if there are more discoveries they will be much more difficult to exploit. It is against this backdrop that there is a need for a real strategic vision. All of the proposals outlined today are important and are steps in the right direction.

I take this opportunity to say and ask something. When we are looking at energy policy in the future our choice will not be between having a currently available safe supply of energy and something else. We must understand that what we have now, if it is not replaced, will run out. We will not have a socially neutral phenomenon, rather there will be deaths from freezing, cities will be paralysed and transport, food production and all areas of human activity necessary for the sustenance of our species and for us individuals will grind to a halt. This is not make-believe, it is something that will happen. As a famous economist once said, the thing about things that cannot go on forever is that they stop. That is what will happen. There is no doubt that at some stage in the future there will come a moment when there is no oil, no extractable gas and no coal. We must look at alternative energy sources and in this vacuum there are other sources that must be looked at. We hope technological advances will increase the efficiency of renewables but there is a substantial body of serious sceptical scientific opinion as to whether our current energy requirements can be met by the sorts of renewable energy sources in their

[Senator John Crown.]

entirety that will become available, even if we make more of an effort to harness them. I am not saying we should not, of course we should.

The other issue that raises its head is nuclear energy. I have asked many people how many extra cases of malformed children there were as a result of Chernobyl. The answer is zero. This is a well known fact, it is not something put out there by crazy, right wing, pro-nuclear energy activists, these are figures from the United Nations. When the serious epidemiologists carried out the study, the answer was zero. There is no evidence that any child was born with a malformation anywhere in the world as a result of Chernobyl. There is a background level of 2% foetal malformation, which occurs in pregnancies in America, Tallaght, Ballincollig and Leitrim. Everywhere children are born, this is sadly what nature does. There is no evidence this increased at all.

I am throwing this into the mix because if we are to have a coherent, long-term energy policy, we must look at all sources of energy and must do so in a scientifically informed and emotionally dispassionate way. The debate surrounding nuclear energy has not been characterised by those features. I am not today advocating nuclear energy but it would be remiss of us to exclude a consideration of an energy source that has been extraordinarily safe, when remembering that every day in every part of the world, people are killed in horrible ways as a result of accidents involving petroleum products, the atmosphere is polluted by petroleum and other carbon products and there is loss of life on an extraordinary scale in wars over carbon products. All of these things are real, even for those who do not believe in global warming. Those who do believe in global warming must know the environmental consequences of not looking at alternative energy sources will be much more frightening.

For these reasons, I am asking for a serious strategic look at national and international level at the scenarios that might exist. The first scenario is for no new technology, where we have what we have and what we will do when there is no carbon left. We have so much flexibility in the ways we generate electricity that we cannot have a wind turbine on every car or wave machine on every boat but we could look at alternative strategies for electricity generation and then mandate that at some time in the future, making it aphoristic, where maybe by 2025 or 2030, the goal of Europe would be to have no private cars using the internal combustion engine driven by carbon. If we did that, at a stroke we would have a policy in place for reducing our reliance on carbon while increasing incentives to look at alternative, renewable and nuclear energy sources if they are found to be acceptable.

I thank the Minister for attending the House and I apologise for slightly hijacking the debate on important issues pertaining to the conditions of employment of energy sector workers to make these points but I did not get the chance to make them when the Minister had to leave the Chamber last week.

**Senator Deirdre Clune:** I welcome the opportunity to speak on this Bill. The most important feature of it is that it focuses on reducing our energy demand by introducing energy efficiency. I agree with Senator Crown that the Minister has one of the most challenging Departments as we attempt to meet the needs of business customers as well as domestic customers. The cost of energy for businesses has continually been cited as onerous and excessive and has affected our competitiveness, particularly when looking at export countries that are most important for the future economic well-being of the country.

The focus on energy demand reduction targets is positive if we are to meet our EU goals by 2020 and the 20% energy reduction is part of that. Looking at energy efficiency means retrofitting buildings and this Bill seeks to address that. The energy demand reduction targets for electricity companies, gas suppliers and distributors will now be put in legislation and that is to

be welcomed. The Institute of Economic Affairs did a report on the value of introducing a retrofit programme, looking at the almost 1.2 million buildings in the country that could benefit from such a programme. It is always cheaper to save energy than to buy it. Insulating and upgrading energy efficiency of buildings can save the average household €1,100 per annum and will bring housing stock up to building regulation standard. One of the most successful programmes we were obliged to introduce was the BER programme. It resonates with people and they understand what it means, that it is important that any dwelling would reach a certain standard and cannot be sold unless it has certification. It is important all these changes will be done with minimum cost to the Exchequer and that is where the fund mentioned by the Minister will support the delivery of efficiency improvement programmes and it will be operated on a pay as you save framework.

I welcome the proposals on energy security. This is pushing at an open door, this is appreciated across the board. Last week I referred to a report produced by the Irish Academy of Engineering on energy. It contained interesting insights, particularly that our level of energy consumption has fallen since 2007. We hope it will increase but we must consider if we need to invest in developing more energy production schemes when we should be trying to maximise the efficiency of existing structures. We must also look at supports for renewable energy sources. Will they cost us? The subsidy for renewables must be considered in a practical manner. The OECD has recommended we move away from wave energy, with subsidies to it being phased out as it is seen as not cost effective.

We are in a different era now and that is the challenge to the Minister as we move forward to work within our commitments under Kyoto and the EU umbrella. Those targets must be met but we must balance the cost to business and domestic users in this country. It is a real challenge for us all as the economic climate changes.

**Senator Darragh O'Brien:** I welcome the Minister to the House. The Minister stayed for most of the debate on Private Members' business last week so I will not go over the ground covered then. We are looking at energy efficiency into the future, however, so I ask the Minister to consider the request for more joined up thinking by local authorities when dealing with major energy projects under the Planning and Development (Strategic Infrastructure) Act.

I know the Minister is well aware of the case that has been made with regard to the east-west interconnector. Citizens expect local authorities to work on behalf of the people of each local authority area. In the case of the North-South interconnector, the local authorities in the region did not work together on the question of whether the cables should be laid underground or overground. The local authority in Rush, which is in my own area of north County Dublin, did not request the rerouting of the interconnector on the basis of the precautionary principle. Meath County Council, by contrast, requested that it be rerouted around the town of Ratoath. That request was granted.

We have to learn lessons so things can be done better in the future. The Minister and his Department are ideally placed to ensure Oireachtas Members from the Government and Opposition sides and members of local authorities are honest with people when large energy infrastructure is being developed. During every discussion I have heard on renewable energy and nuclear energy, people have started their remarks by saying "wind energy is great, but", "we need energy security, but" or "the east-west interconnector is great, but". Local considerations always come into play. We need leadership in the areas of energy and energy supply. I believe the Minister can provide that leadership while he holds this portfolio. It is badly needed. I refer, for example, to the discussion about the decision to grant permission for exploratory drilling 6 km off Dalkey Island. Public meetings are already taking place.

[Senator Darragh O'Brien.]

I am not suggesting that local residents do not have genuine concerns. Where are our public representatives leading us on these matters, however? Although many concerns are valid, some of them are being driven by people on the ground in a way that is dangerous and dishonest. I use the word “dishonest” in its more benign meaning. I do not think we should be approaching these matters in this way. Many people are objecting to wind energy projects. The Minister recently visited the Arklow wind farm, which is offshore. People objected to that wind energy project when it was being developed. I cannot understand that for the life of me. Perhaps people will understand when we do not have these objections. Rosspoint is another example. Regardless of the views on the matter, I do not see why any energy company in the oil or gas exploration area would want to do business in Ireland if it takes 15 years to bring gas into Ireland. All Governments and all Ministers will have to determine how this issue can be dealt with better at the planning stage.

I would like to raise a couple of issues with the Minister. I welcomed the announcement he made before Christmas that the energy suppliers would not engage in any disconnections over the winter months. It was a clear statement and it was the correct thing to do. I would like an update on disconnections. Last week, representatives of the ESB and Airtricity who were interviewed on a drive time show referred to ongoing disconnections. I do not think anyone who is trying to pay should have his or her energy supply cut off. I would like to know how we will deal with this issue into the future.

Energy efficiency is the issue I really want to raise in the context of this Bill. The target that has to be met involves a reduction of 20% in consumption. I have a serious issue with the warmer homes and better energy initiatives. I appreciate that these are more straitened times. Regardless of how one looks at it, there has been a substantial decrease in the 2012 budget for these schemes. I have done some independent research with contractors in this area. Most people will agree that the external insulation and home insulation grants are very important. Not only do they create new jobs, but they also reduce energy consumption and allow people to make better use of this country's energy resources. The Minister said in his speech that the Sustainable Energy Authority of Ireland has advised that over 5,800 full-time jobs in this area were being supported in 2011, but this figure has been reduced to 4,500 jobs in 2012. I would like him to clarify that.

I have been told by a number of companies that between 1,600 and 1,800 people have been made redundant in this sector since the most recent budget. That has happened as a result of the substantial decrease in the amount of money made available for external wall insulation, in particular. The relevant sum for mid-terrace houses has dropped from €4,000 to €1,800. In the case of semi-detached and end of terrace houses, there has been a reduction from €4,000 to €2,700. This is a major issue. I have met representatives of companies in my area of Dublin. I can inform the Minister that a couple of companies which carried out almost 400 jobs between them last year are now working only on jobs that relate to grants that were issued last year. No new jobs are coming on stream. As I said to the Minister of State, Deputy O'Dowd, last week, there is a genuine risk that much of this work will be done in the black market and that substandard materials will arrive from mainland Europe.

I appreciate that the Minister has a difficult job. We do not have as much money as we would like. I will finish on this point. I do not think the debate will continue until 5 p.m. As the Minister said, these schemes used to support more than 5,800 full-time jobs. He has recognised that 1,300 jobs have been lost in this area. Major investment in major infrastructure is required. No matter what way one looks at it, the Minister lost €35 million in this year's budget. I ask him to outline what can be done to ensure the warmer homes and energy efficiency schemes are restored to the standard of previous years. I put it to him that more jobs are about

to be lost in this sector. It is important that we achieve the targets that are set out in this Bill. I would like to hear the Minister's views on these matters.

**Senator John Kelly:** I welcome the Minister to the House again. The cost of doing business in this country, from an energy perspective, has been mentioned. I support the Western Development Commission's report, of which the Minister is aware. The report suggests that savings of €32 million could be achieved by businesses in the west and north west if natural gas were made more widely available in that region. I am aware that interested parties are trying to arrange a meeting with the Minister. I understand they were unable to attend on the two dates suggested by the Minister. I hope the meeting in question will happen soon so that progress can be made. When the debate on the roll-out of natural gas throughout the west of Ireland started a couple of years ago, a group was established in my home town of Ballaghaderreen. We did some research when we learned that Bord Gáis was thinking of delivering natural gas along a route through the bigger towns in the west. We found that even though Ballaghaderreen is not the biggest town in the western region, a co-operative in the town, Shannonside Milk Products, uses more electricity than the entire town of Castlebar. Bord Gáis has chosen to overlook this flabbergasting statistic. I look forward to the Minister's meeting with the group I have mentioned.

I would like to speak about the better energy and warmer homes schemes. I am a great supporter of the warmer homes scheme, which is fantastic. Those who avail of the scheme, including elderly people and those who receive the free fuel allowance, are absolutely delighted with it. They can see the difference it makes. Although I understand why cutbacks are needed, it is unfortunate that cutbacks in this area mean that from this year on, those who have had their attics insulated in the past will not get their walls insulated now. New applicants will get a full energy efficiency package, including attic insulation and wall insulation. I have suggested to officials from the Sustainable Energy Authority of Ireland that 10% of those who had their attics insulated in 2009 could have their walls insulated this year. Perhaps we could catch up on the list by degrees. It is unfair that those whose attics were insulated in 2009 and 2010, in particular, might not get their walls insulated even though that might need to be done.

Senator Crown spoke about long-term energy policies and the ill effects of nuclear energy. I have campaigned for a long time on behalf of people who are in favour of wind energy but have a problem with the location of wind turbines near private residences. The Minister and I have discussed this previously. It has been proven that health risks are associated with turbines being located too close to people's residences. I am aware that the Wind Turbines (Minimum Distances from Residential Premises) Bill has reached Committee Stage in the House of Lords in the UK. When I mentioned the UK legislation to the Minister previously, I said I would propose a similar Bill in this House. I hope to forward the legislation in question to the Minister in the next few days. This issue must be addressed. It is unfair to impose wind turbines on people who do not want to have them erected close to their homes, even on land that does not belong to them. The only protection such people have is that the companies involved are supposed to communicate with local people. Unfortunately, rather than doing so, the first thing they do is earmark the land they need and do sweet deals with its owners. Once the owners have been sucked into the process, contracts are drawn up and everyone in the locality is told a wind farm will be constructed on the land in question. Only then will the company be willing to engage with local people. It may offer €25,000 per annum to build a fountain that will look good on the side of the road but that will not solve the problem. I look forward to the Minister's support on this matter.

**Senator Feargal Quinn:** I welcome the Minister. Having noted that the Bill was not controversial in the other House, he stated its purpose is to support energy efficiency programmes

[Senator Feargal Quinn.]

and the overriding objectives of energy policy remain security of supply, competitiveness and sustainability. These are important issues when one considers recent developments and potential future developments.

It was reported recently that eight European Union countries have joined Italy in noting a sharp drop in Russian gas supplies. This development recalls the massive supply crunch in 2009 caused by the Russian gas provider, Gazprom. Deliveries to Austria and Slovakia reportedly fell by 30%, shipments to Poland fell 7% and the Czech supplier, RWE Transgas, indicated that deliveries were 7% lower than normal. On Friday, the European Union added that Bulgaria, Greece, Hungary and Romania have also been affected. Given the volatility in the market, is it possible to reduce our dependence on gas which is delivered via a pipeline?

It was interesting to note Senator Crown's reference to nuclear power, an issue I raised previously, including in a Private Members' motion I tabled two years ago which called on the Government not to exclude nuclear power from the energy debate. I understand legislation implemented some years ago provides that the ESB may not use nuclear power. We should at least debate this issue as there is a danger that concerns and beliefs will develop in the absence of a full debate.

The Minister is much too young to remember the 1950s. I recall the response to the introduction of fluorescent lighting at that time, when people claimed this type of lighting caused baldness. I was challenged on this observation last week when I made it. Somehow we managed to overcome such concerns and while I am not sure what has been the effect of fluorescent lights on baldness, the discussion shows that concerns occasionally crop up.

Given our strong reliance on gas, I hope the House will have a debate on hydraulic fracturing or "fracking". It is interesting that "The Frontline" programme debated the practice this week, while politicians have still not held a debate. It is extraordinary that a country that imports 90% of its energy does not want to debate hydraulic fracturing because it is considered taboo. I do not know much about the issue but I want to ensure the House at least debates it.

Last week, Paul Drury wrote the following about hydraulic fracturing: "You would have thought that, in a country on its economic knees, a discovery that could supply Ireland's entire natural gas needs for 12 years, create 3,000 jobs and generate €4.9 billion in tax revenue for the State would be cause for unbridled celebration." Fracking has transformed the United States energy market. It is opening up a 100-year supply of natural gas and massively reducing the country's dependence on imported oil. Natural gas prices have halved in the United States in the past four years. In North Dakota, one of the fracking hotbeds of the United States and a former economic basket case, unemployment has declined to only 3.5% and the state has even managed to return a budget surplus in recent years. According to President Obama, the full exploitation of these resources will supply more than 600,000 jobs by the end of the decade. We cannot ignore hydraulic fracturing or nuclear power, about which I am not enthusiastic. It must be debated.

Visiting Brazil a few years ago I was surprised to note the widespread use of biomass. Every petrol station offered drivers a choice of petrol or a biomass based product. It is clear that despite the enthusiasm of the green movement, it does not make sense to grow plants and damage the environment to produce fuel for vehicles. We must consider alternatives. I do not believe people have opened their minds sufficiently on this issue. I welcome this debate and last week's debate on renewable energy and hope it will be an opportunity to open our minds and consider various alternatives.

**Senator Cáit Keane:** I welcome the Bill, which makes a number of amendments to legislation relating to the appointment of electrical investigation officers and the provision of safety infor-

mation. I welcome sections 6 and 7, in particular, which provide for the appointment of these officers.

I attended a presentation earlier by LowC, a renewable energy company which claims it will solve our energy problems forever and a day. The meeting was chaired by Deputy Michelle Mulherin who also provided a report. I ask the Minister to investigate the company's proposal.

Following last week's debate on renewable energy, the House should hold a wider debate on energy policy which encompasses all options. As Senator Quinn noted, calling for a debate does not mean we support any specific energy type. Many of the experts who oppose fracking may not know the first thing about the practice. A full debate is needed.

I welcome the establishment of an energy efficiency fund, to which energy suppliers will make contributions.

On section 20, will the Minister clarify the new disclosures provisions for board members of energy companies, who will be covered by the Ethics in Public Office Act? While I welcome this change, there is nothing as effective as hitting a person in his or her pocket. Under the old regulations, board members had to dispose of any shares they held in their company within three months of taking office. This ensured conflicts of interest did not arise. If board members are only required to declare a conflict of interest, it could result in all board members being required to leave a meeting under the Ethics in Public Office Act. While I do not know if this is a good change, the system will be open and transparent.

**Deputy Pat Rabbitte:** The Senator has completely taken me by surprise. Where is the development to which she refers?

**Senator Cáit Keane:** It is in the Bill.

**Deputy Pat Rabbitte:** I thought she was referring to the position that already obtained for existing directors.

**Senator Cáit Keane:** The proposal in the Bill is to change the position in the Act under which board members were required to divest themselves of shares in the company within three months of taking office. This was a good rule and it is being superseded by a requirement to report such matters to the Standards in Public Office Commission. I do not believe it is okay for directors to hold shares in their company.

I welcome the proposal to enable the Minister to set targets for energy efficiency. As time is limited, I will not discuss this issue in detail other than to note that the legislation places the onus on energy companies to inform consumers of what options are available to them.

I welcome the increase of €30 million in the allocation for the better energy scheme which targets fuel poverty. I compliment the Minister on accepting an amendment in the Dáil on fuel poverty, which will require that some of the money from the energy efficiency fund be allocated towards addressing fuel poverty. The Minister has proposed to phase out direct State supports for energy efficiency as part of a shift towards a pay-as-you-save model. I welcome this move. We must reduce up-front costs to households. We should make a start by promoting energy efficiency.

The Minister alluded to energy theft, which I understand costs €32 million per annum. In the United Kingdom energy theft costs every household £10 per annum. I welcome the proposal in the Bill to deal with the theft issue.

The Government's new energy policy framework is due to be published next year. I hope it is ambitious enough, although I am sure that under the Minister's stewardship, it will be. Having

[Senator Cáit Keane.]

listened to him during the debate in the House on energy, I have great confidence in that regard.

I would like to see definitions of energy terminology in the Bill and definitions for words such as “bio-fuel”. It is easy to call something “bio” but when it comes to it, it is not bio. The bio-diesel on sale in Tesco cannot really be termed “bio-diesel”. It is fossil based and does not comply with what we would regard as B100. Renewable fuel is less than 3% fossil based. We should base our terminology on what is really renewable and not on what people like to think is and sell as renewable. There should be energy labelling like with food labelling. What is in fuel should be stated at the pumps and if it is not less than 3% fossil based, it should not be called bio anything. It should be totally renewable. I propose that some definitions of terminology be included in the legislation.

**Senator Trevor Ó Clochartaigh:** Tá fáilte roimh an Aire don Teach. Tá an Bille seo teicniúil go leor agus cuirimid fáilte roimhe agus roimh na leasuithe a ghlac an tAire ar bord. Pointe beag a thógfaidh mé maidir leis na comhlachtaí leath-Stáit atá againn faoi láthair, áfach, ná go raibh ainmneacha Gaelacha againn ach feicim go bhfuilimid ag dul i dtreo ainmneacha atá níos Gallda ar nós Electric Ireland agus mar sin de. D’iarrfainn ar an Aire sin a thabhairt ar ais dá chomhghleacaithe mar tá baint aige sin ag an bhrandáil atá againn mar thír bhreá Ghaelach nuair atá ainm bhreá Ghaelach ar na comhlachtaí leath-Stáit. Ba mhaith liom go dtógfadh an Rialtas sin ar bord seachas Electric Ireland, Gaslink agus a leithéid.

I do not want to go over points made previously but wish to take the opportunity to focus on some particular parts of the Bill and on general energy policy. In particular, I note the sections which deal with the energy demand reduction target programme. This is one of the key parts of the State’s commitment to reduce energy consumption by 20% by 2020. Clearly, any savings for the consumer must be welcomed, in particular in the context of rising energy costs and the huge pressures our citizens are under, in particular the elderly and vulnerable for whom fuel costs account for a large part of their income.

We must, in addition, find other means of reducing energy costs and examine other means of producing energy. We are still hugely dependent on importing fossil fuels to a level of almost 90% of current requirements. There have been a number of calls for a debate on this issue but I would welcome a debate on the licensing regime for the oil and gas industry off our coast. A number of licences were granted recently and there was a review of the licensing regime, so I would welcome a debate on that because we are talking about security of supply. I understand that under the present regime, there are no clauses in those licences to guarantee the State security of supply even if a pipeline comes in land in this State. It is important to look at that licensing regime.

Coming from the west, I am aware of the huge potential which exists in regard to renewable energy all along the western seaboard. It has been stated many times over but the potential is enormous. We could become an energy exporter and could become giants in terms of renewable energy due to the advantages we have as an island nation on the Atlantic and by generating wind, wave and tidal power. There is an estimated €100 billion in potential energy to be generated from wave power around our coastline.

There are some anomalies in the system and it might be useful to engage with the Minister for the Environment, Community and Local Government, Deputy Hogan. For example, in the county development plan for County Galway, when the zoning proposals were put in place, they excluded all the special protection areas in County Galway, which is 90% of Connemara where most of the wind power is available. I understand wind farms are exempt under the EU SPA regulations and that one can have a wind farm in a special protection area. That has been

done in places such as County Donegal. A discussion with the Minister, Deputy Hogan, and the local authorities to harmonise the regimes throughout the country might be useful.

The ESB is eventually putting a 110 kV line into west Connemara, for which we have been waiting for quite a long time. I have been told by some people developing wind energy projects that the issue there is that those wind energy projects will not be able to connect into that 110 kV line. That is another anomaly in that we will have the potential to generate the electricity but potentially we will not be able to connect into the network.

In these difficult times, the primary focus of the Government should be on creating employment and investing in measures that would create jobs. I urge the Government to consider a programme of investment in capital programmes to improve our renewable energy infrastructure thus creating countless jobs directly and indirectly as well as benefiting our economy in the long run in terms of the return on investment and the export of substantial amounts of energy.

I refer to a point made by Senator Darragh O'Brien. Citizens' rights must be upheld in all these scenarios. The Senator referred to Rosspoint and the 15 years it took to bring gas ashore. It took 15 years because people exercised their constitutional right to challenge the progress there. That was right and the only reason a company like Shell would stay for 15 years is that it realises it will make billions in profits from those gas fields. History will probably say that the local citizens were treated very badly in the whole process and that the State and big business colluded to railroad that project through. We also saw a smaller version of this in the Teresa Treacy case in which I understand the Minister intervened to try to have a bit of fair play brought into that situation.

I note the enormous issue of fuel poverty and I commend the Government on accepting our amendment in the Dáil in regard to the alleviation of fuel poverty. I support the calls in regard to the warmer homes scheme. Many people in Galway greatly benefited from the scheme by having their attics done. They were told an inspector would call to check the cavity walls in order that they could be done but they have now been told that will not happen. If resources could be found, it would be very important to try to revisit the decision on the warmer homes scheme in order that attics and cavity walls could be done.

In a reply to a question on fuel poverty recently, the Minister referred to the energy efficiency of homes as being a key factor, along with what I would regard as the even more important factors of energy prices and actual household income. A report based on statistics gathered over the winter of 2006-07 showed that there were 1,300 excess deaths which in large measure can be attributed to illness caused by persons being unable to properly heat their homes. The vast majority of those deaths were of those aged 65 and over. In his reply, the Minister stated that enhancing the energy efficiency of low income homes through permanent structural improvements is the most effective means of addressing energy affordability. This could make a significant contribution to alleviating fuel poverty and I commend what work has been done under the better energy warmer homes scheme and encourage further progress in this regard but note that without investment, this work is likely to be further slowed down.

We need a full debate on fracking. The former Minister, Deputy Ó Cuív, introduced the initial licences to allow the companies to go ahead with the exploratory work. We must ensure that process is environmentally sustainable and that the rights of local people are taken into consideration if we are to consider the potential of developing the fracking industry here.

**Senator Terry Brennan:** I welcome the Minister and this Bill. Sections 3 and 4, which were mentioned by previous speakers, provide that employees of the ESB, whose employment was transferred to Eirgrid, will have their previous superannuation contributions transferred to

[Senator Terry Brennan.]

Eirgrid. The same applies in the case of Bord Gáis Éireann and Gaslink. These decisions are right.

Our future energy needs are of grave concern to me. Alternative energy is paramount for the future of this country, to maintain sustainable jobs and to keep our energy costs at a competitive level in a European context. Is the future wind, wave or bio-mass? It will require much more debate between all parties.

We should have a policy on the placing main transmission lines underground, or on underground versus overhead. I was an employee of the ESB so I am familiar with the difference in cost between underground and overhead lines, and the question of interconnection and transmission lines. It is interesting to look at wealthy industrial countries like Germany. Last week, I was watching a television programme on the Middle East where the only obstacle to underground lines is sand, but the costs are astronomical for overhead 220 kV and 440 kV lines. We should have a policy because otherwise it all adds up to delays. Whether it concerns sea, mountains or scenic areas we must have a concrete policy. We must listen to objectors but the delays caused are unbelievable.

In 1927, the pioneers and visionaries of Ardnacrusha achieved the greatest engineering feat of the last century in Ireland. Would it happen today or would there be vociferous objections? In the late 1960s and early 1970s it was my job to get people to sign the application forms to take electricity, which was an achievement. One's success was measured on a Friday evening by the number of people one had convinced to take the electric power supply. I recall one specific instance when I went to a house in County Monaghan to try to convince the owners to connect to the electricity supply. He looked at her and she looked at him, and he said, "My father and grandfather and all before them did without it, and it is a thatched cottage." The bullet point was that she decided they would sign up for one light in the kitchen, and he said, "Won't it be very handy to switch it on to find the Tilly lamp?" We have surely come a long way since then when we are now talking about alternative energy supplies.

There should be a consultation process with all parties concerned, including communications between ourselves, as elected representatives, and the relevant Departments. I am not convinced there are health issues, as some people claim. I hold no brief for anyone at this stage, but I am not convinced in that regard. We are obligated to adhere to the World Health Organisation's guidelines, and we are way below the WHO's required limits.

I cannot overemphasise the dangers of trying to by-pass electricity meters because people are unaware of the significant dangers to life and limb. I have seen it happen. The Minister referred to meter measuring, but the secret is to measure from the beginning. If it is left for 12 months the consumption figures can go down and we may not know why that has happened.

The importance of the interconnector was mentioned last week, although the Minister was not present. It is of paramount importance that we are part of the European grid. There must be in-depth discussions and further meetings so that all sides are heard. In addition, we need assurances that we can proceed.

Earlier, I mentioned the case of signing up for one light in the kitchen 40 years ago. I have since gone back to that farm and one would not believe how modern it is now, although the two elderly people are no longer there. We must provide for the future, although we do not know what the situation will be in 40 years' time.

**Senator Ned O'Sullivan:** I will not delay the House unduly because most of what I wanted to say has been said already. Nonetheless, I welcome the Minister to the House and support

what he is trying to achieve with this Bill. The legislation is both logical and sensible, as everyone here would agree. I wish to raise one or two points, however.

Senator Quinn spoke of opening up a debate on nuclear power and that such a debate would be timely. It is a good few years since the then Minister, Dessie O'Malley, proposed a nuclear power plant at Carnsore Point. It was a big issue at the time and is now part of folk legend with a song by Christy Moore. As a young student at the time, I was probably on that side of the fence. More than likely the Minister was too, as he was a student leader in my time. I first encountered the current Minister when he was head of the student union and I was only a soldier.

**Senator Darragh O'Brien:** With long hair.

**Senator Ned O'Sullivan:** Senator Quinn is quite right to say it is time to have the courage to re-examine this matter. People have serious concerns about nuclear power on a number of fronts, but when one considers that the whole west coast of Great Britain is nuclear, and is a lot closer to Dublin than the west coast of Ireland, that does not hold water. Like Senator Quinn, I am not on either side of the fence, but I am certainly in favour of opening up such a debate. The Minister should take the initiative and bring a report before both Houses of the Oireachtas which we can peruse properly.

As a businessman, I know that one of the biggest costs facing business people is energy. We have seen competition between various energy providers, which is almost the same as the telecom sector. Every month, one finds a special savings offer asking the public to sign on with this or that crowd. People are switching but 18 months or two years' later they find their bills are higher than ever. It is time for some form of regulation in this respect. We should have a level playing pitch so that people can see the wood for the trees. The Minister might consider such regulation in due course.

As this is a Second Stage debate, I hope the Minister will not mind me raising an issue of both local and national interest. I know the Minister has been appraised of it by my Kerry colleague, the Minister for Arts, Heritage and the Gaeltacht, Deputy Jimmy Deenihan. It is the question of providing a gas terminal in the Shannon estuary on the north Kerry coast. This project was mooted seven years ago. As a county councillor at the time, I moved a planning procedure to enable a company called Shannon LNG to make plans for an imported liquid natural gas project, which was exciting for us at the time. Some 500 jobs would be involved at the construction stage in an area of high unemployment with a new wave of emigration. As the Minister knows, this project has the full support of the community in north Kerry. An individual succeeded in holding it up single-handedly for 18 months but apart from that, it has the full support of all sections of the community, including business people. For one reason or another, however it has fallen foul of every kind of hiccup one could possibly imagine. We had the much-heralded fast-forwarding of planning but there is canned laughter about that where I live because this project has been hampered every step of the way, not by objections but by internal problems. Many of those problems seem to have emanated from the last government, and the current one. This is a major project and several speakers have already referred to our dependence on gas from the Russian pipeline. That exposes us and leaves us very vulnerable. This is a proven, clean project. We have the deepest natural water outside of Rotterdam at the mouth of the Shannon Estuary, so it is ideal. The Minister will be in favour of taking a more hands-on approach to this project. Someone needs to drive it. I have no doubt of the bona fides of the principals in this scheme. It is not a money problem and cheques will be written if everything else is cleared. I appeal to the Minister to examine it.

**Senator Paul Bradford:** I heard the Minister's speech and the contributions of one or two colleagues. It is an interesting debate and, as with most Seanad debates, we do not stick rigidly to the legislation before us but I hope the Minister is taking on board some of the extraneous suggestions. I listened with interest to Senator Brennan, who could become the seanchaí of the current Seanad. His discussions with possible ESB clients 30 and 40 years ago gives us a picture of what Ireland was like then. Where we will go in the next 30 or 40 years is an interesting question.

Senators Quinn and O'Sullivan made the uncomfortable but necessary suggestion that we should have a genuine debate on the desirability or otherwise of nuclear power, which we cannot ignore. The previous Minister had a personal philosophical difficulty with the concept of nuclear power but thought it was a subject worthy of serious debate. Over the course of the next few years, we must be mature enough to have the debate. As we speak, there are proposals for enhanced nuclear facilities in Britain. Those facilities are probably closer to the city of Dublin than the Carnsore Point would have been. In the context of the advance of nuclear power technology in Britain, France and elsewhere, we need to have a debate on whether it will play a role in future energy needs of the country.

The Minister referred to sections 10 to 16 of the Bill, relating to energy efficiency. This is very important and we have not made sufficient progress on energy efficiency. As well as nuclear, we are also looking at solar and geothermal energy but we must focus more attention on energy efficiency and savings. The number of new houses being built has fallen dramatically and hopefully it will rise again. At the planning stage, all sorts of advice is available to people building a house and different agencies are peddling technology but my suggestion is that the applicant receives a certificate or document demonstrating the heating costs of the house and the various options when submitting a planning application. At that stage of the construction of the house, we should focus on heating costs and energy efficiency. Once the house is built, we are playing catch up. In many of Ireland's modern housing estates, energy efficiency is limited and low. Maybe it is coming through in rules and regulations but much more progress must be made. If we were forced to quantify the heating and energy cost of the house at the building stage, it would cause people to look closely at energy provision, efficiency and insulation.

The legislation refers to LPG and the previous speaker referred to natural gas and the desirability of making more progress. Although it is unrelated to the Bill, perhaps the Minister can ask his officials to provide statistics and details on LPG provision in cars. For two or three years in the mid to late 1970s, although it was not the majority choice, 5% to 10% of cars were powered by LPG. Some car companies, particularly Volvo, worked on conversion units. Perhaps the Minister can talk to his Cabinet colleague with responsibility for transport to consider the possibility of having more cars in this country running on LPG. It is environmentally friendly and will hopefully be a national, natural source of energy. It requires adjustments to car engines but in northern Europe and Scandinavia a significant number of cars have engines built specifically for LPG. I welcome the Bill, which is technical but important and allows us to do some contemplation and reflection on energy supply and conservation in this country. It is a movable feast and policies keep changing but we need to pay greater attention to energy conservation, installation and that aspect of reduction.

**Minister for Communications, Energy and Natural Resources (Deputy Pat Rabbitte):** I thank the Members who have contributed. Senator Keane said it was time we had a full debate on energy and it seems to me that she did not make a bad stab at it on this occasion. As Senator Bradford said, the debate ranged far and wide and some important issues have been raised.

If there is an issue that causes me to wake up in the middle of the night, it is the issue raised by Senator Crown and taken up by other Senators, namely, energy security. We live in a society where it is taken for granted that there is light when we turn on the switch and heating when we turn on another switch. As Senator Quinn said, we live in a volatile global environment where geopolitical events determine whether we have a reliable and secure energy supply in a country that is an importer of fossil fuels. Apart from Senator Crown's interesting question about peak oil, there is also a question about energy security.

I do not have difficulty with Senator Bradford's framing of the answer and I would not be averse to a discussion on nuclear energy. I have no difficulty with that formation but the first thing we can do about energy supply is to reduce consumption, consistent with good health considerations and an improvement in the balance of payments. We are wasteful of energy and the thrust of the contributions of several Senators and of the Bill has been to the effect that there is not enough emphasis on energy efficiency and what can be done. I suspect that, if like Mr. de Valera, I was to look into my heart and see what the Irish people are thinking on the nuclear question, I would draw the conclusion that with that little lubrication of hypocrisy for which we are pretty good, now that we have an interconnector with Britain we do not really mind if the energy is generated by nuclear power on the other side of the Irish Sea. As long as we can import it, it is all right.

As Senator Keane said, I intend to produce a new White Paper on energy policy during the course of this year. The International Energy Agency has examined the efficiency, competitiveness and so on of our energy provision here, and its report will be available soon. There is a necessity for us to review the situation. Many Senators have touched on the real reasons we would do that.

Senator Clune referred to a report from the Academy of Engineers. I have read it and met the authors. They would admit they are writing as engineers rather than public policymakers. There has been a steep step down in economic activity but whether that is an argument for slowing up on investment in improving the grid and so on is doubtful. It takes so long, as Senator Brennan said, to roll out new grid and so on in this country that it can take up to a decade. We are in an economic hole at the moment but in ten years' time we will be very glad that we maintained the investment.

Senator Ó Clochartaigh referred to the provision of 110 kV in Connemara and quite properly referred to the fact that our capacity to take up renewables and exploit the area along the west coast is greatly constrained by the weakness of the grid. A number of colleagues, including Senators Darragh O'Brien, Brennan and others, referred to community resistance which is a growing phenomenon. It is not unique to Ireland but we have a fair measure of it.

For example, we need the North-South interconnector for a number of reasons. There has been very considerable community resistance. We have gone out of our way to bring in three Scandinavian experts to produce a report on the question of underground versus overground and so on. The report has gone down well and people have accepted that it is a genuinely independent, accessible, authoritative and quality report. The process is taking place in the Oireachtas. The chairman of the relevant committee will take hearings and submissions to deal with the issue.

I am not in favour of taking a foot off the pedal in terms of investment in energy infrastructure. It has to continue. Senator Clune is right to introduce the report and it is something that will have to be taken into account in the debate. The question of energy security, as Senator Crown said, is very much the big issue.

We are doing well on renewables. My advice is that we can meet our renewable target from onshore capacity. Three weeks ago I got state aid approval in Brussels for REFIT 2, the feed-

[Deputy Pat Rabbitte.]

in tariff or subsidy for onshore wind development. Some six weeks previously, I got approval for biomass, to which Senator Quinn referred. I am aware of a number of interesting combined heat and power projects that were dependent on REFIT coming through.

I brought a memorandum to Cabinet recommending against seeking state aid clearance for offshore REFIT. I did that for a couple of reasons. We can meet our targets from onshore. Offshore is immensely expensive and is putting a huge additional cost on consumers and large energy users on the PSO. In the current climate it cannot be justified.

In terms of Senator Crown's wider thesis, we are making progress. Senator Quinn is right. I have no idea where this is going because we do not know enough about it yet. There is no doubt that shale gas has dramatically changed the picture in the United States. It has not been a uniformly happy picture for which there are reasons. A number of Senators asked me to respond specifically to that issue in the context of the EPA report on hydraulic fracturing. I asked the EPA to do that report last November. So far I have heard it will have completed the report very soon but it is by no means the answer. The question is far more complex and it will be looking for more money. In fairness, the US EPA report, which is due this December, has taken four years to put together. This is a very complex issue.

Meanwhile, the protests abound to the effect that I am responsible for dreadful crimes against humanity on fracking. The fact that we cannot find any fracking on the island does not seem to have any impact on the protesters. I accept they are, in many cases, genuinely concerned about what they have read and what has been presented in, what seems to me, a fairly partial way. We need more scientific evidence before we can draw a conclusion on that. I have no idea why people want to railroad me into a decision before the scientific evidence is available.

It is odd that everybody in this House knows that when Senator Crown raises a question of how we will ensure energy security in the future and the domestic contributions we can make all cause the most extraordinary protests. We may or may not strike oil off the coast. We have not had a very good record over the past 40 years. We have only had three strikes and one field in development. Compared with Norway that is chicken feed. However, the debate goes on about the daft comparison with Norway.

Norway has a strike rate of one in four and if one drills an empty well 78% of the cost is refunded. The unique geology of Norway confers on it the extraordinary wealth that we know about. I can bring in a tax regime of 90% on offshore prospecting with no difficulty but there will not be any prospecting. There is little point in believing that the country is surrounded by oil rather than water if we do not find it. There is great difficulty in persuading people of the merit of that.

Senator Mooney told us about the little old lady who is burning CDs in order to stay warm. He is sceptical about whether the story is true.

It is true there is a problem of energy poverty and according to the CSO figures I have seen, it has increased since the height of the boom, which is scarcely surprising either. Senator Mooney is right, however, to be sceptical of some of the stories one reads about. Yesterday's  
5 o'clock edition of *The Irish Times* recorded a doctor, speaking on behalf of what is called the health intelligence unit of the HSE, as saying at a conference in Dublin that people will die as a result of the reduction in the fuel allowance. Perhaps the doctor did not quite say that but that is what she was reported as saying in every headline in the news on RTE and in *The Irish Times*. I opened that conference yesterday morning and I did not hear what she actually said but it is highly irresponsible of a member of the medical profession to make such a statement. It is an easy "to go" statement that people may die.

People could possibly die as a result of rising energy costs. I cannot stand here and say it would never happen with a combination of that, a very bad winter and substandard accommodation. I can stand here and say, however, that no one is going to die as a result of the fuel allowance being paid for six months instead of 32 weeks. It is that kind of shroud waving that—

**An Cathaoirleach:** The Minister is in danger of eating into the time allocated for the debate on the Fianna Fáil Party's Private Members' motion.

**Deputy Pat Rabbitte:** I can assure the House that interfering with such a work of art is the last thing I would want to do.

**Senator Darragh O'Brien:** The Minister must have read the motion.

**Deputy Pat Rabbitte:** There are many other interesting issues raised by Senators that I would like to have responded to. I assure Senator Ned O'Sullivan that I concur entirely with him about the importance of the LNG plant in terms of diversity of supply and offering us another string to our bow. To partially answer Senator Crown's question, I met with the promoters again two weeks ago. Unfortunately this process is heavily regulated. It is not a ministerial decision, it is a matter ultimately for the Energy Regulator and a process has now been put in place that will commence within ten days. It is believed it will go on for two weeks and there will be an outcome in a further two weeks. I hope this goes well because it will be an important string to our bow if it happens.

**Senator Ned O'Sullivan:** I welcome the Minister's response.

**Deputy Pat Rabbitte:** There were many other questions I would like to have addressed so perhaps we shall meet again.

Question put and agreed to.

**An Cathaoirleach:** When is it proposed to take Committee Stage?

**Senator Maurice Cummins:** Next Tuesday.

Committee Stage ordered for Tuesday, 14 February 2012.

### **Investment in Education: Motion**

**Senator Averil Power:** I move:

That Seanad Éireann believes that:

- investing in education will be crucial to Ireland's economic recovery;
- prioritising resources at children from disadvantaged areas and those with special needs at an early stage is not only imperative from an equality perspective but also has the potential to deliver considerable cost savings to the State in the long-run;
- small schools are at the heart of rural communities and also play a vital role in fostering Irish-medium education and supporting minority faiths;

is deeply concerned that Budget 2012 contained a wide range of regressive cuts to education services, which included:

- the removal of teachers from, and a consequent increase in class sizes in, schools serving some of the most disadvantaged communities in the country;

[Senator Averil Power.]

- a significant reduction in supports for children with special needs;
- a major disimprovement in the staffing schedules for one, two, three and four teacher schools;
- an end to the provision of dedicated guidance counselling allocations to second level schools;
- a decrease in supports for third level students, including the complete removal of maintenance grants for new entrants to postgraduate courses in 2012/13;

acknowledges that savings must be made in current expenditure but believes that there is a fairer and more economically-strategic way to secure such savings; and calls on the Government to:

- reverse these short-sighted cuts in the interests of promoting equity of access to education and prioritising expenditure in areas likely to be of major benefit to our society and economy in the long-term.

Members on this side of the House appreciate fully the scale of the budgetary adjustment that must be achieved in the next few years. We know the gap between State income and expenditure must be narrowed and acknowledge that Ireland must meet very challenging targets under the terms of the EU-IMF programme and that the Government will have difficult decisions to make over the coming years. There are choices, however, as the troika made clear during its recent visit. Along with other colleagues from Fianna Fáil, I met the troika and specifically asked if the sort of education cuts delivered by the Government in December had been made at its request. The answer was an emphatic “No”. Ireland must achieve its targets under the programme but it is up to the Government to decide where exactly cuts are to be made. The Government had options in the budget but regrettably it picked the most regressive ones.

By contrast with other budgets over the last three years, the distributive impact of the budget was extremely regressive. In other budgets, those who could afford it paid more overall. As the ESRI has pointed out, however, the most recent budget hit the poorest sectors of society as much, if not more, than the wealthiest. On the night of the budget, RTE’s “Six-One News” highlighted how a family with a joint income of €150,000 would be down €1,200 as a result of budget changes while a family entirely dependent on social welfare would lose €1,070. Lone parents were singled out for particularly harsh treatment, as were those with disabilities.

In my view, however, the greatest damage was done in education. Under the mask of a budget that claimed to protect disadvantaged schools lay cuts that threaten to do untold damage to our poorest communities. Behind the spin about protecting frontline services and not reducing the pupil-teacher ratio lay the reality of an attack on our most vulnerable children. Schools serving the most disadvantaged areas in the country were singled out for increases of up to 50% in their class sizes. Supports for pupils with emotional and behavioural problems were axed and teaching resources for children with special needs in DEIS schools were also significantly reduced.

These cuts are not just incredibly socially regressive, they are also economically stupid. They will undo much of the progress that has been made in disadvantaged areas over the last ten years and ultimately will result in far greater costs to the State, not just in education but unfortunately also in social welfare, housing and, worst of all, in the Garda budget.

Just after the budget I highlighted in this House the example of Darndale national school, which has been benefitting up to now from classes of just 15 pupils. When the smoke had cleared from budget 2012, it became clear that the school stood to lose five of its 16 classroom teachers, or nearly one third, with class sizes set to rise by a shocking 50% in one fell swoop. The tragedy is that, as with many schools targeted for extra supports under previous initiatives, Darndale junior school has made incredible progress in recent years. With small classes and truly dedicated teachers, it has delivered a targeted literacy programme that has been held up by the Department as an example for others. For the first time, children from one of the poorest areas of the country are reading on a par with those from wealthier communities. This is an incredibly positive sign for an area that has, for too long, suffered from seemingly entrenched intergenerational social and economic disadvantage. This progress has been hard won and, unfortunately, it can be lost very easily.

Darndale junior school is just one example. Members from all sides of the House will have their own. Other schools in the Dublin 17 area have been getting positive results from extra resources, including those in Macroom and Priorswood and also Darndale senior national school. When I visited St. Laurence O'Toole's boys' school in Sherriff Street with my party leader and Councillor Mary Fitzpatrick, I saw the same effect, namely, the achievement of very positive, concrete results owing to extra resources. A national evaluation of the DEIS initiative, which was recently published, highlighted the positive impact of extra resources. It is a shame to put this in jeopardy.

The Minister has admitted he made mistakes in the budget. Labour Party backbenchers — I am not sure about those in Fine Gael — have been telling their local schools they feel their pain, have the ear of the Minister and have convinced him to see the error of his ways. They state there is nothing to be worried out. I have been on national television with people who have made the same claims, yet, two months after the budget, schools still do not know where they stand, nor do they know how they will be affected next September. The Minister has refused to answer with any precision questions tabled in the Dáil. He has refused to give details on individual schools that will be affected. From school principals in my area, I have learned that over 20 teachers will be lost in the Dublin 17 area, including Darndale, Priorswood and Macroom. The same picture is to be seen in Ballymun. I have no doubt this trend will be repeated in other deprived areas of the country, not just in inner-city Dublin, Limerick and Cork.

It seems clear that the Department did not carry out any cost-benefit analysis of the cuts. Did it weigh the short-term savings over the next couple of years against the long-term cost not just in education, but also in other areas? I appreciate fully that the cuts must be made but they should be fair and strategic. The cuts in respect of DEIS schools, in particular, fail on both grounds.

Schools serving disadvantaged areas are likely to lose out most as a result of changes to the supports for special needs pupils. The removal of support teachers for children with emotional and behavioural problems will have negative consequences not just for the children themselves, but also for their peers. Teachers will struggle to maintain order and a calm, positive learning environment in the classroom. Perhaps the Minister of State will outline the rationale behind the changes to the system for allocating learning support and resource teacher posts because I fail to see how he will achieve anything other than massive inconvenience for schools by not allowing them to combine posts from different allocations to have a permanent teacher. I have heard no rational explanation for the changes. Perhaps the Minister of State could fill us in today.

[Senator Averil Power.]

Guidance counsellor cuts will affect the most vulnerable or, to quote the ESRI, “young people from less advantaged backgrounds who are far more reliant on advice from their school in making post-school decisions and particularly decisions in relation to higher education entry”. Such young people may have little or no history of higher education not only in their families, but also in their communities. Not only may they be baffled by the range of post-leaving certificate options open to them, they may also need to be convinced of the value of proceeding to higher education. In this regard, guidance counsellors have a major role to play in tackling early school leaving and encouraging young people from poorer areas to aim for the top and fulfil their potential. Most important, in the current environment, they also provide free, confidential, one-to-one counselling support to students. Many young people, unfortunately, must deal with a wide range of personal problems at their school, including bereavement and eating disorders, which we have discussed in the House, and also difficulties in coming to terms with sexual orientation. Others may be living with considerable problems in their homes, such as an alcoholic parent, marriage break-up or even physical and sexual abuse. For some, school may be the only safe space, and a guidance counsellor may be the only confidant. All teachers try their best to help their pupils and all would be like to extend a listening and supportive ear, but the reality is that the guidance counsellor is the only person in the school who has the hours and training to be able to support students with sensitive problems requiring counselling.

As with other cuts made in the education budget, the Government has tried to sell the cut to guidance counselling as a positive development. It stated it is giving schools flexibility in the use of their resources, but the reality, as everybody knows, is that schools will have to decide whether to provide counselling support or high-level maths, physics or other subjects. Unfortunately, the reality is that the guidance service is the service that will be lost.

My colleagues will touch on the impact on rural schools. As the motion highlights, schools are at the heart of rural communities. They constitute the fabric of localities all over the country and hold people together. Small schools are a vital lifeline, particularly for those of minority faiths. The impact of the cuts will be felt particularly in gaelscoileanna, which tend to be smaller schools.

The motion refers to the cuts affecting postgraduate students. It is not only deeply unfortunate and socially regressive but also economically foolish to be depriving some of our brightest young people of the opportunity to receive a postgraduate education at this time. It is not only invaluable to them but it is what the economy needs. If we are to get the country back on track, we need people with the highest possible educational attainments ready to take up job opportunities when the recession ends. I do not understand the economic rationale for what is occurring.

This side of the House accepts that cuts must be made.

**Senator Jimmy Harte:** The Senator does not accept it.

**Senator Averil Power:** We agreed with the Minister’s overall number in the budget. We put forward other options. We stated €40 million could be obtained from increasing the universal social charge for people earning over €115,000 but this proposal was not taken up. The Minister for the Environment, Community and Local Government was able to magic up €20 million yesterday in the blink of an eye. The Government has admitted that the education cuts were not thought through. Now is not the time to rethink them and write letters to schools but the time to reverse the cuts and do the right thing, thereby protecting the future of communities, particularly the most vulnerable.

**Senator Darragh O'Brien:** I second the motion.

I ask the Members opposite to have a detailed read of the motion we have tabled. It is a very different one from that tabled in the Dáil. If the Senators read it, they will not be able to argue with what we are stating. We are not in any way castigating or criticising the Government. Senator Pat O'Neill may laugh all he wants but he should note that anyone who has gone to public meetings across this country, in Dublin and other cities or in any rural community, will know that this is a very serious issue. We are taking it very seriously in the motion. We are identifying very clearly what we and every citizen believes. They believe in the importance of education and of children who require special needs attention and not in undoing the good work that has been done by successive Governments over the past 15 years on the mainstreaming of children.

There are many issues that every Government must deal with. Every Government must make many difficult choices. There are many difficult choices that the previous Government made whose flaws were well articulated by the then Opposition, now the current Government. One was the increase in the pupil-teacher ratio under the last Government.

The Minister of State is welcome to the House but it is a pity that the Minister, Deputy Quinn, cannot be present. The latter is the man who initiated the review of DEIS schools. Many colleagues have raised this point. It is a pity the Minister is not present to answer the queries himself. In the amendment tabled to our motion, it is stated there is no increase in the average ratio of 28:1 for the allocation of classroom teachers at primary level. Having said that, the Minister of State knows 47% of all schools are affected by the changes proposed by the Government. Some 7% of schools in the country are affected by the changes the Minister of State has made, or the Government proposes to make.

To state that the pupil teacher ratio, PTR, is not affected in any way, shape or form is patently wrong. From our perspective, the savings that are apparently to be made amount to approximately €15 million in one calendar year. Is that the price we put on our children's education? I ask the Minister of State to think about this and show his independence on this matter. People have rightly described and criticised this policy of the Government.

The Government does not get everything right. One of the points about being in Government is realising when this happens, such as with the proposed cuts in disability benefit. That issue was first raised in this House. The Minister for Social Protection, Deputy Burton, did the right thing at the time and apologised, admitting the cut should not be made and that she would review the matter. The Minister for Education and Skills, Deputy Quinn, has said he is reviewing the DEIS schools but there is no clarity yet, as my colleagues noted.

All Members are honoured to serve in a Parliament of a republic. Any true republic respects its minorities, it must do so. In the proposals laid down by the Government in the budget, 65% of all Church of Ireland schools in this country will be disproportionately affected by these cuts. That follows on from the increase in the PTR in fee-paying schools at secondary level, many of which are also Church of Ireland schools. There is such a thing as choice although for years there was not. Parents are entitled to choice. They are entitled to bring up and have their children educated according to their own ethos, or no ethos at all. I support that.

However, I do not support and feel very strongly about this absolute attack on Church of Ireland and minority faith schools in this country. However we dress it up, even though it may not have been intentional — I take it that it was not — that is what is happening. All Senators know that, from the representations they have received from schools throughout the country. Other colleagues will speak about Gaeltacht and rural schools which have been affected disproportionately. There are the gaelscoileanna, of which there are four in my constituency. I raised one of them in an Adjournment debate with the Minister of State last week.

[Senator Darragh O'Brien.]

I put it to my colleagues this is an opportunity for all of us in this House to make a decision as a group and state the proposed cuts, which would save €15 million in a year, are wrong. That is the essence of the motion tabled by the Fianna Fáil Senators. We drafted it in the best way possible because we tried not to be partisan and simply call it as it is, stating that we all prioritise education and want our children to be educated well. We want those of them who need more assistance in school, including children with special needs, not to lose resource teachers.

Will the Cathaoirleach indulge me for one moment? If one looks at what has been done to permanent learning support, one sees that instead of calculating on the basis of the number of pupils in the school, the basis is now the number of teachers. That concerns four-teacher schools and downwards. The Old Borough school in Swords, which I raised two weeks ago, is losing its full-time permanent learning support teacher. That is a Church of Ireland school but Gaeltacht schools are affected too, as well as small schools all over the country.

These measures are not right. I know my colleagues do not believe they are correct. I take it this may have been unintentional. I ask Senators to do the right thing, support this motion and send a message to the Minister for Education who cannot be present this evening.

**Senator Jim D'Arcy:** I move amendment No. 1:

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

“recognises the Government’s approach to education expenditure which aims to provide for a quality primary and second level education system and to enable further education and training and higher education to make a full contribution to Ireland’s development and recovery, consistent with overall prudent management of the Irish economy.

Acknowledges that:

- the Delivering Equality of Outcomes in Schools, DEIS, programme is delivered to 670 primary and 195 post-primary schools, and involves a range of supports which have been protected in budget 2012;
- DEIS urban band 1 primary schools will continue to have a lower pupil-teacher ratio than generally applies in primary schools, with an effective pupil-teacher ratio of 20:1 for junior classes, and 24:1 for senior classes;
- DEIS second level schools will benefit from a lower pupil teacher ratio of 18.25:1 from September 2012;
- over €158 million is being provided in additional resources and supports for primary and second level schools included in DEIS;
- there is no increase in the general average of 28:1 for the allocation of classroom teachers at primary level;
- the overall number of resource teachers and special needs assistants for children with special education needs have been maintained at current levels. In addition, existing resources are being used to streamline and update the General Allocation Model, GAM, allocation for all schools;
- implementation of the literacy and numeracy strategy 2011-20 includes a commitment to support enhanced literacy and numeracy provision for students from socially, economically and educationally disadvantaged backgrounds;

- as part of the budget 2012 decisions, the number of pupils required to gain and retain a classroom teaching post in small primary schools will be gradually increased between September 2012 and September 2014;
- there are 3,200 primary schools across Ireland. Over two thirds of those schools have more than 86 pupils and have much higher average class sizes than the small primary schools;
- small schools receive much more favourable capitation and other grant payments due to the practice of minimum payments. For example, schools receive a minimum capitation payment based on a 60-pupil enrolment. This means that a school with 12 pupils receives the same capitation payment as a school with 60 pupils. Additionally, construction costs per pupil for capital projects are much higher in small schools than in larger schools;
- the existing staffing appeals process will be accessible to small schools that are due to lose a classroom post as a result of the budget measure but who are now projecting increased enrolments for September 2012 that would be sufficient to allow them to retain their existing classroom posts over the longer term;
- guidance is a whole school activity and, while changes are being made to the way in which guidance counsellors will be allocated in future, all post-primary schools will still be required to provide guidance support to their students;
- in relation to higher education the Government is:
  - prioritising access to higher education by maintaining supports provided to undergraduate students while continuing to provide resources for a relatively wide number of students studying at post-graduate level;
  - reforming the application, assessment and payment processes for student supports, ensuring a better level of customer service for all those who use the student grant system;

and acknowledges that the plans set out by Government in Budget 2012 form an important step in returning Ireland's economy to a sound footing and regaining our economic sovereignty.”.

I welcome this motion on education proposed by the Fianna Fáil Senators and agree that investing in education will be crucial to Ireland's economic recovery. Many good points were made in that motion. I am pleased that the Fianna Fáil Party agrees that savings must be made in current expenditure. Its motion states there is a fairer and more economically strategic way to secure such savings. Unfortunately, unless we consider the recent proposal of Sinn Féin to increase the universal social charge on middle to higher income earners, we need to save in every Department. In those circumstances it is self-evident that the motion fails. Therefore, we on the Government side have no option but to submit a counter motion which recognises the Government's approach to education expenditure and aims to provide for a quality primary and second level education system and enable further education and training and higher education to make a full contribution to Ireland's development and recovery, consistent with overall prudent management of the Irish economy.

I acknowledge the points on DEIS schools about which Senator Power spoke passionately. I agree with her that these schools should be supported. I congratulate the schools in Darndale and other areas that have worked so hard to bring up literacy levels, which is very important.

[Senator Jim D'Arcy.]

The Senator mentioned the ESRI reports. In its last two economic reports regarding education, the ESRI stated that the most important feature of the education system is the quality of teaching and learning. It stated specifically — these are not my words — these were counted above classroom sizes. With the new programmes in the DEIS schools we must acknowledge it was the teachers, objectively and irrespective of class sizes, who made the contribution to the raising of the standards. DEIS schools retain massive resources, with €158 million being provided in additional resources.

I accept the point made by Senator O'Brien that whereas the 28:1 ratio is a constant in schools not classified as small, when two schools are put together there might be a slight variation in that ratio. However, the overall number of resource teachers and special needs assistants remains constant.

Senator Power suggested that the Minister of State should look again at putting together the general allocation model and low incidence special needs hours in schools. In four-teacher schools and mixed schools there might be 20 hours, and one pupil with low incidence special needs. That would provide for a full teacher. That is a helpful suggestion.

In the present economic circumstances something must be done. There is an increase in the enrolment thresholds for the allocation and retention of teachers in small primary schools. Although any increase is regrettable the Minister must save money. He is seeking to do this in an equitable way. In the current circumstances I would hope the other side would agree that 12 pupils for two teachers in two-teacher schools is a rather small ratio. The increase to 20 over three years, as proposed, is reasonable, as is the increase from 49 to 56 in three-teacher schools and from 81 to 86 in four-teacher schools. I would point out, however, that the four-teacher school is at the heart of the rural community. I taught in one for many years, moving between four, five and six-teacher schools. If in future years economic circumstances allow that might be one of the first measures to be looked at and tweaked downwards again, perhaps to 84 from 86.

This is not just an issue for the west. County Louth has only two large towns and its rural hinterland has many small schools. Some schools in the county may not have had 83 pupils enrolled in September 2011 but may have more the following year. I have referred their principals who contacted me about this to the appeals process. Senator Power requested full information on enrolments from the Minister. He will be issuing a circular on this matter in the next several weeks, which will be the bible for principals.

With increased numbers at third level, it is unfortunately not possible to grant aid postgraduate students from 2012. The alternative would be to introduce fees for undergraduates.

**Senator Averil Power:** The alternative is the dole or emigration for somebody who cannot get a job.

**Senator Jim D'Arcy:** I am not going into the jobs initiative. That was not a particularly helpful intervention from Senator Power.

This motion proposes no alternatives. However, I always acknowledge, as I did yesterday, Fianna Fáil's education spokespersons' often constructive approach to education legislation and their helpful suggestions for amendments. The Government amendment to the motion acknowledges the plans set out by the Government in budget 2012 form an important step in returning Ireland's economy to a sound footing and regaining our economic sovereignty.

**Senator David Norris:** This is a very important motion and I commend Senator Power for her powerful contribution. I also commend her party colleague Senator Darragh O'Brien who

made a passionate defence of Church of Ireland schools which will be particularly affected by this measure on small schools. I am particularly pleased he did so because if I had been the first speaker to raise this issue it might appear as if I were simply taking a sectarian interest. I personally believe education, in both North and South, should be non-denominational. My church does not agree and neither does the Roman Catholic Church but that is my view. It is important these schools as they exist require a degree of reasonable and just treatment.

My Fianna Fáil colleagues are correct that this Private Members' motion is not as severe as the one tabled in the Dáil. I understand why the Government feels it necessary to amend it, however, because there are certain small elements in the motion with which it cannot agree. For example, the motion states Seanad Éireann "is deeply concerned that budget 2012 contained a wide range of regressive cuts to education services". One can hardly expect a Government to accept the language of "regressive cuts" even if that is what one thinks. I know it is a ping-pong ball; if the Government were on this side of the House that is exactly what it would say.

We must, however, put the pupils and the welfare of the education system at the centre of the debate without resorting to point scoring. There are several provisions in the motion which could be examined between the Whips. I would prefer if there were not a vote on this later, not because I will not be in the House — I will be and I will vote later — but because we should be together on education.

It is true the intention to close small primary schools will particularly affect Gaeltachts, rural areas and Church of Ireland schools and those of other non-Roman Catholic communities. This will be a great pity. I accept we are in a difficult budgetary situation but education is the key to recovery. Primary education is the building block which is necessary for our country's recovery. It is a great shame the modern language in primary school initiative will be abolished. The phased increase in the pupil threshold for the allocation of classroom teachers in schools with fewer than 86 pupils will have a major impact on smaller schools. The Church of Ireland bishops will meet with the Minister for Education and Skills to express their concerns about the impact the last measure will have on their schools. I hope there will be a positive outcome from these representations.

I understand the difficulties the Government faces and that there will be an increase of 70,000 pupils in the next six years which will put the system under considerable strain. However, it must be remembered it is at primary school that the whole education process begins. The current pupil-teacher ratio allows for individual growth of a child's interest in the world and the growth of their skills. Up to 40% of primary schools are threatened by the budgetary measures but there has been no proper or convincing cost-benefit analysis. These cuts will affect front line services. Is it possible to streamline what are called back-office functions instead?

I have received a number of submissions not just from Church of Ireland schools but from rural areas on these measures. One person wrote to me that there is a general feeling the Government does not care about rural Ireland but instead is prepared to sacrifice our rich culture and historical heritage in favour of a yellow pack, "pile 'em high and sell 'em cheap" approach to education where the almighty dollar or euro takes precedence over the needs of the community. The writer feels their children are second-class citizens, just numbers and statistics to be moved around. I do not know to which party, if any, this person belongs. However, even to those who live in cities like me, many people are aware rural constituencies feel they are being sidelined. Rural areas have already seen a reduction in postal services, banking and policing.

I wish to have the matter of the effect of these measures on St. Patrick's Cathedral Choir School transmitted to the Minister for Education and Skills. It is the oldest school in the country, over 600 years old. In addition to a general education provision, its particular purpose

[Senator David Norris.]

is to help the cathedral's choir going. I must declare an interest as I attend service there every Sunday. Although it has a Church of Ireland ethos — a word about which I am hesitant as I am a secularist even though I am a believing Christian — membership of the school and of the choir is not limited to members of the Church of Ireland. Many of our best pupils and choristers are members of the Roman Catholic Church. It may well be seriously threatened by these measures. The choir is a unique institution being the only male cathedral choir with boys' and men's voices together. It is part of a tradition which would be a real pity if it were lost. I hope it can be treated sensibly.

**Senator James Heffernan:** I second the Government amendment to this Private Members' motion. Education is one of the core values and principles of the Labour Party and was one of the reasons I joined the party. To be debating spending reductions in education this evening is, therefore, difficult for me. I acknowledge the fantastic contribution that various Ministers have made to education. One of the most progressive Ministers for Education was my fellow Limerick man, Donogh O'Malley, but we should not forget the contribution made in more recent times by Niamh Bhreathnach. I do not doubt the current incumbent, Deputy Quinn, will be remembered as a progressive and reforming Minister. The Minister of State at the Department of Education and Skills, Deputy Cannon, is also doing a fine job.

I concur with the opening sentiments in the Opposition motion, which states that education will be crucial to our economic recovery. Unfortunately, education alone will not allow us to recover. Regardless of how Senator Darragh O'Brien tries to spin it, however, the remainder of the motion is a blatantly politically motivated stunt by a party that is grasping at straws.

**Senator Darragh O'Brien:** We have a better record in education than Senator Heffernan's party ever had.

**Senator James Heffernan:** Let us not go down that road. The Senator's party is grasping at straws and floundering. Every week we see a new stunt. A former Minister is proposing to go to jail for refusing to pay the septic tank charge. This is how the Fianna Fáil Members approach politics, especially on Private Members' time. Last year voters young and old, rural and urban, completely rejected them.

**Senator Darragh O'Brien:** We respect that.

**Senator James Heffernan:** Eleven months later they expect us to wave a magic wand.

**Senator Darragh O'Brien:** We respect the decision of the electorate.

**Senator James Heffernan:** The voters said they had enough of Fianna Fáil.

**Acting Chairman (Senator Feargal Quinn):** I ask Senator Heffernan to address the Chair.

**Senator James Heffernan:** I apologise.

**Senator Darragh O'Brien:** The Labour Party made promises as well.

**Senator James Heffernan:** Shortly after the election, Fianna Fáil's leader in the other House pledged to act progressively and responsibly in opposition but unfortunately that has not happened. I understand the adversarial nature of politics but given our current position, we should be able to work together on some issues rather than introduce politically motivated motions. I remind the House that we would not be debating spending reductions if Fianna Fáil had been

responsible in government instead of trying to hoodwink people with giveaway budgets during election years.

**Senator Darragh O'Brien:** Senator Heffernan could not describe our last three budgets as “giveaway budgets.”

**Senator James Heffernan:** I recognise that some in government gave commitments prior to the election.

**Senator Brian Ó Domhnaill:** Some 300 promises were made and broken by the Labour Party since the election. That is commitment. Do not lecture us.

**Acting Chairman (Senator Feargal Quinn):** Senators should address the Chair.

**Senator Trevor Ó Clochartaigh:** The Minister, Deputy Quinn, gave a commitment that he would not increase third level fees.

**Senator James Heffernan:** The fact remains that the previous Government cost us our economy, our competitiveness and our reputation.

**Senator Darragh O'Brien:** Is there any chance the Senator will speak to the motion? He has not mentioned education since he got up on his feet.

**Senator James Heffernan:** Easy now, I did not interrupt other speakers. All the parties in this House have agreed to the debt reduction targets set out by the troika. We are certainly not happy with them but that is another story. We accept them and we must meet them. The Departments of Education and Skills, Social Protection and Health account for 70% of public expenditure. Spending has to be reduced. The Fianna Fáil motion acknowledges that savings have to be made in current expenditure but suggests there is a fairer and more economically strategic way to secure them. If the Members opposite can explain how we can close the gap of €17 billion without touching education, I am sure the Minister will be all ears.

**Senator Brian Ó Domhnaill:** I wish to share one minute of my time with Senator Daly.

Ba mhaith liom fáilte a chur roimh an Aire Stáit. Níl a fhios agam cén áit a bhfuil an tAire Oideachais agus Scileanna, an Teachta Ruairí Quinn ach is mór an trua é nach bhfuil sé anseo. Ní raibh sé sa Dáil an tseachtain seo caite nuair a bhí díospóireacht á phlé ar an ábhar seo ach oiread. Bhí mé ag éisteacht leis an Seanadóir Heffernan agus chuir an méid a bhí le rá aige iontas mór orm, go háirithe nuair a ghlactar leis go raibh eolas ag na páirtithe atá sa Rialtas anois, Fine Gael agus Páirtí an Lucht Oibre, faoi na deacrachtaí roimh an toghchán deireanach. Rinne siad oiread gealltanais ag an am agus d'éirigh leo sa toghchán, ach níl na gealltanais sin comhlíonta acu anois. Tá na gealltanais sin briste.

Tá an rún seo á chur chun tosaigh ag Páirtí Fhianna Fáil mar go gcreideann muid ón ár gceol amach go gcuirfidh na ciorruithe atá beartaithe ag an Rialtas i gcúrsaí oideachais, go háirithe iad siúd a bhaineann le scoileanna beaga — scoileanna le cúig oide nó níos lú, sin 47% de na scoileanna go léir sa Stát — isteach ar na scoileanna beaga, ar scoileanna Gaeltachta agus ar an Straitéis 20 Bliain don Ghaeilge. Tóg, mar shampla, na scoileanna Gaeltachta. Cuirfidh an cinneadh atá glactha ag an Rialtas isteach ar níos mó ná 70% de na scoileanna atá sa Ghaeltacht. Tugadh tacaíocht i gcónaí do na scoileanna Gaeltachta de bhrí go raibh siad chomh tábhachtach sin don Ghaeilge agus don Ghaeltacht, ach tá sé soiléir ón cinneadh atá déanta ag an Rialtas seo nach bhfuil siad sásta an tacaíocht céanna a thabhairt do na scoileanna Gaeltachta. Mar shampla, tá scoileanna á dhúnadh anois sa Stát. Fuair scoil i mo cheantar féin litir ón Aire Oideachais agus Scileanna ag rá go raibh an scoil sin le dúnadh.

[Senator Brian Ó Domhnaill.]

This motion is political because the Government made a political decision to focus its attack on small schools. It made the decision prior to the publication of Department of Education and Skill's value-for-money review.

**Senator James Heffernan:** The review was initiated by Mary Coughlan.

**Senator Brian Ó Domhnaill:** The Minister for Education and Skills made his decision in the absence of a report that would describe the outcome. To say this is not political is to hoodwink everyone because a Labour Party Minister made a political decision without reference to the findings of the aforementioned report. Why would a Minister ask principals to spend hours of their time compiling statistics for a report which he did not bother to consult when making a decision that will affect 47% of the primary schools in this State? It is a retrograde step which the anecdotal figures suggest will save €15 million per annum.

This raises questions about the promises that were made prior to the election by the parties now in government. Senators can blame whatever Government they want but when Fianna Fáil entered power in 1997, it reduced the retention figures for small schools from 24 to 12. Small schools were protected and investments were made in education.

**Senator Jimmy Harte:** The Galway tent took care of all that.

**Senator Brian Ó Domhnaill:** It is easy to make cheap political points when one cannot defend the facts. At least 70 teachers in County Donegal will lose their jobs as a result of this decision.

**Senator Jimmy Harte:** That is not correct.

**Senator Brian Ó Domhnaill:** That is the reason we are putting forward this motion. It will affect Protestant ethos schools as Senator Darragh O'Brien mentioned. Of the 30 schools under Protestant management in my county, 87% will be affected by this decision. It is affecting schools of Protestant ethos disproportionately negatively and is a retrograde decision. What is wrong with reducing the money going to private fee-paying schools in Dublin?

**Senator Trevor Ó Clochartaigh:** Hear, hear.

**Senator Brian Ó Domhnaill:** That is a choice the Government could have made but chose not to because it is protecting schools in Dublin 4 and the plush areas of Dublin. Where is the Labour Party philosophy as enunciated before the general election to give more protection to the less well-off than to those who can drive to school in 2008 and 2010 Jeeps in a plush area of Dublin 4? Choices could have been made but the Labour Party chose not to make them. It chose to hit the small rural schools and forgot about the fee-paying schools. Why does the Government not take the €15 million from the fee-paying schools—

**Senator Jim D'Arcy:** Where is Senator Norris now?

**Senator Brian Ó Domhnaill:** — and protect the smaller schools? I call on rural Senators of all parties to leave the party hat outside the door if they think this is not political and vote the right way to protect smaller schools in rural constituencies, protect teachers who have only got on the ladder of employment and protect the children we are supposed to serve.

**Senator Mark Daly:** I support my colleague. The Government is disproportionately attacking Gaeltacht schools, and Protestant and minority schools. When the Minister says that small rural schools of four teachers and fewer should consider amalgamation, it tells us where he is at. Schools in my area in Lauragh, Realt na Mara, Tahilla and Banawn will all be affected as will

schools throughout rural areas. We are witnessing the Government closing down rural Ireland one school at a time. When a school is gone no family will move into that area and everybody in this Chamber knows that.

There seems to be a silence among organisations such as the IFA and the GAA. Why do they not come out and state publicly that they want to retain children in rural areas? If these schools are closed down, as the Minister has proposed by telling them that they should consider their future, then the very fabric of rural areas will disappear and this Government will be responsible for it. I believe many Members on the Government side do not want to be associated with the actions of this Minister. As my colleague has pointed out, he did not take any tough decisions affecting Dublin because he is from Dublin. He does not care about Senators who come from rural areas and know the consequences of what will happen in rural areas as a result of this action.

**Senator Fidelma Healy Eames:** I welcome the Minister of State. I appreciate the words of Opposition Senators this evening. I want to talk about the child, the importance of the quality of the education experience and the importance of quality education outcomes. I know the Minister of State has heard me speak previously on this issue. I would have liked if the Minister, Deputy Quinn, had graced us with his presence this evening on this topic.

**Senator Darragh O'Brien:** Hear, hear.

**Senator Fidelma Healy Eames:** I do not want to score any political points here as the issue is too important. Education is the key investment not only in our children's future but also in our nation's future. Let us proceed with caution on all sides. Let us be really careful with the decisions we make. I support a number of aspects of the Government amendment. I welcome the review on DEIS urban schools. It is laudable that resource teachers and special needs assistants have been kept. I acknowledge that small schools receive more favourable capitation and there is an appeals mechanism, but we need information on that appeals process. When will it happen and will there be a particular form? Schools are crying out for those details now. The issue of career guidance needs attention.

I will offer some constructive feedback on small rural schools as the main focus of my contribution. I will give an honest appraisal based on having taught in rural and urban schools, supervised teachers in rural and urban schools, and worked in teacher education. I have three recommendations each of which carries a question. I ask the Minister, Deputy Quinn, to give small rural communities one year to come up with local solutions to plan their own education futures. I would be delighted if we could get agreement across the House on this issue tonight. At the moment these schools have not been given an opportunity to plan and the decisions were made based on last September's numbers. I am asking for just one year up to September of this year, which is only seven months away. That is so little to ask given that this is such a major decision for communities that will lose a teacher and go from two to one or from three to two because we know that a one-teacher school is not a sustainable unit into the future. Given that the babies born today will be in school in four years' time, the Minister should ask each school for a four-year plan to be submitted within one year. I ask Senators to imagine if we asked GAA clubs to amalgamate — there are more than 5,000 of them.

**Senator James Heffernan:** They are amalgamating already.

**Senator Fidelma Healy Eames:** I am pointing out that it is not an easy decision. There are big decisions to be taken on Church of Ireland schools and they also need a year. They need to be given the time to start the conversation to come up with a sustainable plan. It was not fair to apply the new retention numbers from last September — next September would be

[Senator Fidelma Healy Eames.]

much more reasonable. I do not give out about the retention numbers, but simply ask for more time.

Leenane where the movie *The Field* was filmed is a beautiful village in Connemara and its school has 18 pupils. It needs time to plan and a serious conversation with the community is ongoing. That community is doing what it can to ensure it holds on to that village school. It is hard to imagine Leenane without a school. Tooreen national school is a four-teacher school with 78 pupils and is about to be reduced to three teachers. The community has the three and four year olds who were advised to stay at home. If they had gone to school it could have kept its fourth teacher but they did not know it would be an issue because of the retrospection.

Will the Minister honour good practice and best practice where it exists? Senator Jim D'Arcy asked not to split the learning support and the resource teacher where it is working well.

**Senator Trevor Ó Clochartaigh:** Hear, hear.

**Senator Fidelma Healy Eames:** The schools in Leitir Móir, Leitir Calaidh and Tír an Fhia share one teacher and it works brilliantly. I have met the parents, the teachers and children with cerebral palsy and autism. It should not be split where it is working, but if it is not working, then do it. St. Andrew's school in Curracha near Ratoath had the same issue.

The Minister should also honour best practice when it comes to numeracy and literacy. If the legacy teacher, who is dedicated to early intervention and reading recovery, is taken away from the school in Carraroe which has 80% unemployment, I can guarantee that literacy scores will go down when now they are increasing.

**Senator Trevor Ó Clochartaigh:** Hear, hear.

**Senator Fidelma Healy Eames:** I have grave concerns about Gaeltacht schools. We are about to publish a Bill on the Gaeltacht, but how will we resource that without the schools? We need to keep the teacher where we can. Rural schools are different from urban schools and should be treated differently — I have taught in both. The Minister of State knows as well as I do that rural schools are more interconnected with and reliant on the community, and are embedded in the community. The loss of a teacher in a rural school is more deeply felt than in an urban community. It is wrong to compare on enrolment only. I am glad the departmental officials are also present. This is a mistake that overlooks the added value of a rural education. I ask the Minister to consider these criteria when assessing the value of a rural school. While I accept that enrolment and the financial position of the school need to be considered, we must also consider the quality of the education otherwise we will need to invest in these schools in the future. We also need to consider the value of that local school to the community.

I will finish with this example. I live in a place called Maree, Oranmore. There are 200 children there now. In the mid-1980s when Garrett FitzGerald was in power there was a two- or three-teacher school there. Had he brought in this policy then there might be no school in our community now. I call on the Minister to ensure that in ten or 15 years time when we are well off again, please God, let us not have no young people in certain parts of rural Ireland. Population follows schools and the evidence is there to show it. Let us not socially engineer a solution that could erode vibrant rural communities.

**Senator Trevor Ó Clochartaigh:** Cuirim fáilte roimh an Aire Stáit. Ní hé seo an chéad uair dúinn na hábhair seo a phlé agus ní bheidh sé an uair dheireanach. Tacaím le cuid mhaith den mhéid a dúirt an Seanadóir Healy Eames maidir leis na scoileanna beaga i gConamara. Ní aontaím le gach rud a dúirt sí. Is ionsaí ar scoileanna beaga tuaithe agus Gaeltachta é an athrú

seo sa pholasaí. Níl pobal na Gaeltachta sásta glacadh leis. Baineann an chéad ceist atá agam leis an value for money audit. I question the whole idea of the value for money audit. How can a review be done before we have seen the value for money audit? Is a value for money audit really how we should approach this issue? What about a value for children, VFC, or value for community audit instead? The point made by Senator Fidelma Healy Eames is correct. A school is a good deal more than a place where there are X number of bums on seats and we should recognise as much. We should have waited for the value for money audit because international best practice shows that smaller schools give value for money.

Let us consider the results coming from Gaeltacht schools in particular. It has been proven that the standard of mathematics and English in these schools is higher than the national average. This shows that these schools give a better education. Gaeltacht schools are being particularly targeted because they have had preferential pupil teacher ratios which we call on the Minister to retain. Up to now, there has been a ratio of four teachers for every 76 pupils. This is because it is a good deal more difficult to teach in a Gaeltacht school because of the lack of teaching resources. I call on the Minister not to throw this out the window because he would automatically put Gaeltacht schools at a disadvantage.

I call on the Minister to clarify the situation in respect of DEIS programme schools. The Minister stated he would carry out a review of the programme. When and how quickly will this take place? A deadline is coming at us down the tracks. This became apparent when the DEIS rural co-ordinator posts were taken by the last Government and the teachers whose jobs are in jeopardy have something called “the panel” looming over them. If they do not put their names on the panel they will be out of work in September. Will the Minister of State clarify for the Seanad when the panel will be announced this year? Can it be delayed until a decision is made on the DEIS programme schools and the legacy posts in particular? Once a teacher’s name goes on the panel they are out the door and the battle is lost.

Senator Healy Eames referred to a scoil in An Cheathrú Rua, my local school, with regard to legacy posts. One legacy post is being taken away there. That legacy post is there for a reason. During the 1980s there was considerable unemployment and social disadvantage in the area. The possibility of children going to third level education was less likely because of the traditional educational attainments of their parents and their parents before them. Legacy posts were brought in and the number was increased. This made a considerable difference and now we see a far greater cohort of children from these areas going to third level education. However, if one takes away the legacy posts, one takes away this opportunity. This is our major issue with these cutbacks.

The Government will create a two-tier education system once more whereby the people who have money in their pockets and who are able to pay for extra help will do better in school and college. They will be able to do the Masters degrees that people on lower incomes cannot do because postgraduate grants have been cut. Forced amalgamation is under way as well. Instead of a process of collaboration and discussion around what type of amalgamation is practical, amalgamation is taking place by default. Numbers are being forced downwards so that schools have no opportunity to accept amalgamation because people take their children out of the smaller, one-teacher schools in particular. We need a proper debate on amalgamation and the use of retrospective figures from last September is not the way to go about it.

These cutbacks will result in transport issues as well. The Minister has already increased the cost of rural transport for schools and there is no proper transport network available. This will affect the numeracy and literacy that has improved so much in these schools. Millions of euro have been invested in many rural schools in recent years. In some cases the rooms in some of

[Senator Trevor Ó Clochartaigh.]

these schools in Ceantar na nOileán or in An Cheathrú Rua or other places in Gaeltacht areas are physically not big enough to facilitate a move from a four-teacher to a three-teacher class. There is not enough space for the number of pupils in these classes. The proposed idea of splitting classes between schools, whereby there would be naoínáin bheaga up to rang a haon in one school and rang a dó to rang a sé in another school, mooted by some members of Government parties is ludicrous. Parents will be crossing over each other to bring their small children to one school and then older children to another school and then going back again to collect them. These are the type of ludicrous plans being put forward which show that these people really do not understand the nature of living in a rural community.

The complex curricula especially in Irish language schools makes it particularly difficult. Several other cuts have been introduced but other options were available. An end has been put to the Gaeltacht grants for ábhair oidí, the teachers who teach as Gaeilge in primary schools. There have been cuts in capitation and in Gaeltacht scholarships and there have been cuts in non-adjacent grants and grants for post-graduates. The amount of money being saved is limited.

Senator D’Arcy referred to the budgetary proposals of Sinn Féin. He should have read all of them. If we had taken the €0.25 billion from the €1.25 billion that we paid to the bondholders, it would have given us €250 million.

**Senator Jim D’Arcy:** I did not criticise them.

**Senator Trevor Ó Clochartaigh:** I did not say Senator D’Arcy criticised them. I said “He should have read all of them”. Had we taken that €250 million and put it into education there would be no need for any of these cuts. These were the decisions the Government should have taken rather than paying off bondholders and gamblers, etc. It should have invested in our future and our children instead to ensure we have a top-class education system.

**Senator Jimmy Harte:** As a former student of psychology I have read a good deal of Piaget. There is an expression of Piaget’s to the effect that only education is capable of saving our societies from possible collapse, whether violent, or gradual. That was written in 1934 by the French educational psychologist. Perhaps those in the Fianna Fáil Party should have read that five, six, seven or 12 years ago when they compromised the future of all the children of this country. The importance of education of children is singular. It is remarkable for Opposition Senators to come in here tonight and say that what they would have done is different. What they did to the economy was wrong. What they did to education was wrong.

**Senator Darragh O’Brien:** What Senator Harte is doing now is wrong and he knows it.

**Senator Thomas Byrne:** What about the Senator’s comments in *The Sunday Times*?

**An Cathaoirleach:** Senator Harte without interruption.

**Senator Jimmy Harte:** I am now in a position——

**An Cathaoirleach:** Through the Chair, Senator Harte.

**Senator Jimmy Harte:** I am now in a position to explain to the people in Donegal why cuts are inevitable.

**Senator Thomas Byrne:** The Senator says one thing in *The Sunday Times* and another——

**An Cathaoirleach:** The Senator without interruption.

**Senator Jimmy Harte:** I am fighting for my local rural school in Donegal to get the best deal for it. We have been in talks with the Minister and his officials. An appeals procedure is in place and we hope this will be done in a practical and fair way. The retrospection has been in place for years. Those in Fianna Fáil had ample time to do that and they did not do it. They should take the blame instead of throwing the blame across at the new Government following eight or ten months in office.

**Senator Darragh O'Brien:** These are the Government's decisions now. They are no one else's decisions.

**An Cathaoirleach:** Senator Harte without interruption.

**Senator Darragh O'Brien:** He keeps peddling that nonsense and he has been here for one year.

**Senator Jimmy Harte:** It is not nonsense. If one looks through——

**An Cathaoirleach:** Senator Harte, do not invite crossfire. Speak through the Chair please.

**Senator Jimmy Harte:** I am immune from crossfire. It is nothing new to me.

**Senator Brian Ó Domhnaill:** Senator Harte will get caught in it eventually.

**Senator Jimmy Harte:** Senator Ó Domhnaill has been subject to a good deal of crossfire and he has deserved it.

**Senator Darragh O'Brien:** Senator Harte need not worry: we know all about crossfire as well.

**Senator Jimmy Harte:** It may sound like a cliché but the Minister, Deputy Quinn, has been handed a poisoned chalice. We are in a position whereby we are fighting for rural schools, DEIS programme schools, secondary schools and, ultimately, for the pupils. My daughter is eight years old and I have to explain to her that if there are cuts to the school it has to be done because of the financial situation in the country. When everything else runs out, Senator Ó Clochartaigh throws out the bondholder argument.

**Senator Trevor Ó Clochartaigh:** Absolutely not.

**Senator Jimmy Harte:** He does.

**Senator Trevor Ó Clochartaigh:** The hedge funds got it 60% right.

**An Cathaoirleach:** Senator Harte, without interruption please.

**Senator Jimmy Harte:** I agree with Fianna Fáil on the importance of rural schools in this country. No disrespect, but Sinn Féin has told us it is closing schools in Northern Ireland. The Minister there, John O'Dowd, closed——

**Senator Trevor Ó Clochartaigh:** The Minister cut the budget——

**Senator Jimmy Harte:** The Minister did not cut any budget. The difference is that two rural schools closed in County Armagh. The Minister, John O'Dowd, said:

[Senator Jimmy Harte.]

In recent years, however, both schools have suffered from declining enrolments with only 10 children enrolled ... in Aghavilly and only 16 enrolled ... in Keady. I have therefore decided to close the schools, as I am confident that the children's educational needs can now be best met at alternative schools within the area.

He did not mention budgets, but was talking about the size of the schools. Therefore, the Deputy should not be blaming a budget.

**Senator Trevor Ó Clochartaigh:** After a consultation process on six principles, he dumped the education boards. I am sure Fianna Fáil would have taken the religious considerations into consideration. The Senator should do his homework.

**An Cathaoirleach:** Senator Harte, without interruption.

**Senator Jimmy Harte:** The point is that it seems Sinn Féin is justified in closing rural schools in Armagh, but once over the Border — in Louth, Monaghan or Donegal — it turns around and has a totally different attitude to education.

**Senator Trevor Ó Clochartaigh:** Senator Harte should realise that the British system is a completely different education system.

**Senator Jimmy Harte:** No rural schools are being forced to close in Donegal. I make this point for the benefit of the Fianna Fáil Members as well as Sinn Féin. I agree with much of what is in the Fianna Fáil motion. However, we are in a position where there is an inevitability with regard to what will happen. I would love us to be in the position in which Fianna Fáil was ten years ago when it had a surplus budget. We do not have that luxury today, though we wish we had. Senator Power suggested that €40 million could be got from the universal social charge. However, when an argument is made for funding for health services, will she say again there is €40 million to be got from that charge? We cannot just argue that €40 million can be taken from the universal charge for education this week and then next week put the same argument for it to be put someplace else. We cannot just set aside €40 million for education and then forget about health. It is not as simple as that, although we wish it were.

**Senator Darragh O'Brien:** Why not? We ring-fence disability in education. We can do it.

**An Cathaoirleach:** Senator Harte, without interruption please.

**Senator Jimmy Harte:** I commend and support the amendment to the motion. Perhaps in five or ten years time we will look back and say the Government did the best it could at the time for the future of our children. That is our concern. As Jean Piaget said, the importance of education cannot be overlooked. I welcome the Minister to the House and look forward to his response. We are in a difficult position and I as a parent know that, as does everybody else here. However, we must work together on this.

**Senator Marc MacSharry:** I join with others in welcoming the Minister to the House. While we are afforded many opportunities to score political points and to have a go at each other about various issues, I do not intend to use my few minutes today to do that. There are not many people in the Visitors Gallery, just as was the case last week for the motion on this issue in the Dáil, where the media refused to cover such an important issue, concerning rural schools

in particular. Many teachers, parents and children throughout the country are watching this debate online.

If people want to consider the performance of the previous Government or consider various aspects of past policy, they are entitled to do that. However, I want to speak specifically on the issue facing rural communities throughout the country. I do not doubt that Senator Harte feels passionate about this issue. I read the article in *The Sunday Times* in which he was fighting for his local schools in the same way as Senators Byrne, O'Brien or myself will try and fight for those in our areas. However, what I will say follows on from what our Sinn Féin colleague has said. Let us forget value for money and terms like "systemic importance" that we use so often. I used such terms myself when on the Government side of the House, particularly with regard to the banks. We should focus on the most important issue.

Rather than bounce my comments off colleagues on the other side, I appeal to the Minister of State to use his good offices to ensure that the Minister for Education and Skills sees sense on this issue. What we are talking about here is about saving €15 million. What will that mean? By 2014, saving that amount will mean that the teacher can expect to have 28 students in the classroom, from junior infants up to second class, and be expected to impart a complex curriculum with authority to all of those students and to be able to say with a straight face to Government that he or she is providing an equal opportunity to all of those students. That is rubbish.

All of us will have been lobbied throughout all the constituencies on this issue and I have been attending public meetings on it as I am sure have many others. Increasingly, what comes across at these meetings, apart from the genuine concerns for children, is the concern for rural Ireland. Where in the scheme of things is rural Ireland seen as important? Are we constantly going to look at the statistics and decide because the population is higher in one place, the other part of the country no longer matters? A parent from Cloonacool in County Sligo who rang me today commented that the rural school is the last gel to keep a community together. What value do we put on that? Do Fine Gael and the Labour Party feel that the value of holding the rural community together is just €15 million? While I disagree with him on many issues, Deputy Pearse Doherty gave an analogy of our contribution to the European space programme being approximately €15 million. Senator Averil Power provided a clear outline of how savings of up to €40 million or more could be found in the context of other choices.

At a public meeting which I attended in Curry, County Sligo, at which the Minister of State, Deputy Perry, represented the Government, he vowed to fight these cuts tooth and nail. However, he voted against the motion in the Dáil last week. A senior Labour Party member, such as the Minister for Communications, Energy and Natural Resources, Deputy Pat Rabbitte, goes to see the Minister for Education and Skills, Deputy Ruairí Quinn, and we instantaneously get a review of the DEIS schools, but is the opinion or weight of Fine Gael Minister of State, Deputy Perry, any less in the context of the rural communities of Ireland? It seems so. If the Minister of State wants to show me the books, I will, using my relatively limited business experience as an elected Member of this House on the industrial and commercial panel for ten years, find him €15 million by 7 p.m., the end of this debate, which will allow him cut the necessary amounts of money to ensure the education budget remains intact. More than that, this will ensure the longevity and continuity of the rural communities of Ireland and, not least, maintain the building blocks in educating the children, which will contribute — as pointed out in the amendment — to the economic recovery for which the country yearns.

There is no way decent hard-working Ministers like the Minister of State sat down and presided over this cut and said it was logical. This cut is penny wise and pound foolish. Nobody with a level of human spirit, much less business acumen, could stand over this cut and say it

[Senator Marc MacSharry.]

makes sense. This is not about political point scoring. I will take the Pepsi challenge on an economic debate all day long on those issues if necessary. However, we are playing this season's game now, not last season's game and we must assess the play of the players during the current game. The Minister for Communications, Energy and Natural Resources, Deputy Rabbitte, succeeded in getting a review for the DEIS schools — which I welcome — which had proposed savings of up to €70 million. The rural schools issue makes a mere €15 million in savings. For the many people living in rural Ireland and for the many people like me with young children living there who want to see their children educated in rural and regional Ireland, I ask the Minister of State to please throw us a bone. Let him go to his parliamentary party and say that the Government is getting it wrong. The €15 million can be found elsewhere. I believe, as a member of the Opposition, in the collective ability of those on the Government side to make that case. Take control of the issue. I know what it is like to have to argue on behalf of a parliamentary party when it is part of a Government. It is not easy but it is possible.

I ask those opposite to vote for this motion this evening and go back to the parliamentary party meetings to ask to find that €15 million elsewhere. It can be found. The people of Ireland will thank the Government parties collectively if they do so, and we can leave the political points scoring to other issues. For the children of rural Ireland, let common sense prevail, for God's sake.

**Minister of State at the Department of Education and Skills (Deputy Ciarán Cannon):** I thank everybody for their contributions to the debate, passionate and heartfelt as they were. It is important to set out the context for this debate and the budgetary pressures we are under. We cannot ignore the reality that we are relying on funding being provided through the EU and IMF programme for the provision of our day-to-day public services. Nobody else will lend us the money we require to keep our public services on track and at this point, most unfortunately, taxpayers from other EU countries are reaching into their pockets to help us pay the salaries of teachers and special needs assistants across our school system.

There was mention earlier of political responsibility and a bipartisan approach. That would require all of us to be brutally honest about the difficulties in which we find ourselves. To continuously suggest, as the Opposition has done this evening, that there are less unsavoury options to be availed of is not honest and is, conversely, very dishonest.

**Senator Marc MacSharry:** Give us the books.

**Deputy Ciarán Cannon:** The idea that Senator MacSharry would be able to waltz into the Department of Education and Skills tomorrow morning and find savings that have somehow escaped the scrutiny of officials who have worked in the Department for ten or 15 years does not stand up. He has argued that we should forget value for money but I argue that doing so has led us to our current position.

**Senator Marc MacSharry:** What about value for children?

**Deputy Ciarán Cannon:** There is an argument that €15 million is a paltry amount but it is not. This echoes the comments of a former Minister, Noel Dempsey, not long after the e-voting debacle when he described €60 million as not a lot of money either.

A third of all public sector employees in this State work in the education sector, so it has never been possible to completely exempt staffing levels in education from the Government's need to reduce expenditure. We should bear in mind that we achieved savings this year of

approximately €76 million and we must do the same next year, with approximately €100 million the year after. By the end of this process of us getting our finances back on track, every savings option available to us will be fully explored and utilised.

We must cope with 70,000 new children coming into our system and I am thankful for the great news of our increasing population. I was in another country recently which is facing the opposite challenge, and it must look to import workers from abroad. In the first quarter of last year we had the highest birth rate since records began in the 1960s. Nevertheless, we must face the challenge of finding schools for 70,000 new children in the system and creating teaching posts to fill them.

Despite demographic and financial pressures, the Government has shielded, to the greatest extent possible, front line services in schools. There has been no increase of the mainstream staffing schedule general average of 28:1 for the allocation of classroom teachers at primary level. We have protected and maintained the overall number of special needs assistants and resource teachers at current levels. We would prefer not to have to reduce teacher numbers at all but it is clear that we have, as best we can, shielded front line services in schools at a time when the Government is seeking to make significant reductions in public sector numbers in other areas.

On prioritising the disadvantaged, the Government will continue to target supports for schools with the most concentrated levels of educational disadvantage through DEIS over and above other schools. Approximately €700 million continues to be provided for tackling educational disadvantage across the education spectrum from pre-school to further and higher education, which includes schemes such as school completion programme and the disadvantaged youth programme, now under the Department of Children and Youth Affairs, and the school meals programme, which is under the Department of Social Protection. DEIS post-primary schools will be targeted for additional support through an improved staffing schedule of 18.25:1, which is a 0.75 point improvement compared to the existing standard of 19:1 that applies in post-primary schools that do not charge fees, or compared to the 21:1 ratio that will apply as a result of the budgetary change in fee-charging schools.

The DEIS action plan, implemented in 2005, represented a significant advance in dealing with educational disadvantage as it was the first comprehensive initiative in this area developed by drawing, in a co-ordinated fashion, on appropriate data sources to provide indicators of disadvantage which provided the basis for the identification of schools for inclusion in a suite of integrated supports under the programme. The Department provides enhanced staffing levels to the DEIS band 1 schools that are aimed at ensuring they operate to lower class sizes and it seems to get lost sometimes in the debate that they will always continue to have this enhanced staffing level.

The Minister announced in the House in January that the Department is to report to him on the impact of the specific budget measure to withdraw legacy posts under some older schemes on DEIS band 1 and band 2 primary schools. This report is nearing completion and the Minister will then consider it in the context of the staffing allocations due to issue to all schools. He has also made clear to the House that any changes made will have to be compensated for by alternative reductions in expenditure on primary education. This highlights that there are no easy solutions and savings which may be rowed back must be found in other parts of the education budget. The Minister is also anxious to ensure that whatever emerges from the report will be implemented on a systematic and transparent basis across the schools concerned.

[Deputy Ciarán Cannon.]

With regard to small schools, an argument has been put forward that the people making these decisions around the Cabinet table have no knowledge of what it is like to live and be educated in rural Ireland but nothing could be further from the truth. The Taoiseach attended and taught in a small rural school, as did the Tánaiste and I. I attended a two-teacher rural school in a place called Kiltullagh in County Galway. My mother taught in that school for 42 years and there were 47 or 48 pupils between the two teachers. My mother taught across four different class settings and I would argue she did a very good job, as would most of my student colleagues. There is much to be said for the unique educational experience one can gain from a multi-classroom environment, and there is very interesting research in this respect showing that older students can share in the teaching process and in imparting knowledge to younger student colleagues.

We are not setting out to close rural schools and I do not know how many times I must say that these measures will not result in the closure of rural schools. There will be no forced amalgamation of rural schools and any amalgamation will come at the behest and with the agreement of the local community. It is important to be clear that the only change for small schools is that average class sizes will no longer be as advantageous as they have been in the past due to the phased increases in the pupil thresholds in the staffing schedule. Senator Healy Eames spoke earlier about Leenane national school and said there were 18 or 19 pupils in the school, so two teachers teaching nine children each is not a fair or valuable use of a resource that is expensive to provide. It is expensive to train and pay our teachers. The current pupil-teacher ratio dictates a teacher standing in front of six pupils, which is still possible in a two-teacher school but it is not a good use of that valuable and scarce resource.

**Senator Marc MacSharry:** We could cut the electricity in rural Ireland while we are at it as I am sure it is expensive.

**Senator Thomas Byrne:** I also heard in the debate that the nearest school to Leenane is about 20 miles away.

**Deputy Ciarán Cannon:** Even when all of the phased increases are implemented, the threshold for a second teacher at 20 pupils will still be significantly lower than the minimum of 28 pupils that was required for the appointment of the second teacher in rural schools prior to the late 1990s. School communities should have no reason to feel that there will be a forced closure of their local school, and no school closes because it loses a teacher but rather schools close because of a loss of pupils. Small primary schools that have had to face closure in recent years are those that are no longer viable due to falling enrolments. We now have 3,300 primary schools across the country when at one time we had more than 6,000 schools. The enrolment in these small schools had typically fallen below a total of eight pupils for two consecutive school years. This Government recognises that small schools are an important part of the social fabric of rural communities, and will continue to be a feature of our education landscape. This does not mean, however, that small schools can stand still or never have their staffing levels changed to something that is more affordable and sustainable in these very difficult and challenging times.

Senator Healy Eames suggested that a number of schools were taken aback and surprised by the proposed loss of posts as a result of the budget measure. Schools have very little time to prepare for the increased pupil-teacher ratio. The Department is considering how it will deal with schools that are facing that challenge and will allow schools that can show an upwards

trend in enrolments for the next number of years, although they face losing a teacher because of their current numbers, to make their case. We are putting in place an appeals process for small rural schools to make a case to retain their teacher. The full details of the appeals process will be set out in the Department's forthcoming circular on the staffing arrangements for the 2012-2013 school year and will be issued in the next two to three weeks.

In special education we have managed to maintain the overall number of special needs assistants, SNAs, and resource teachers at current levels. We are very conscious that the staffing allocation for many schools under the general allocation model, GAM, has not been updated since it was first introduced in 2005. As part of the reforms to the teacher allocation process, it will now be updated and simplified from September 2012 for all schools through a redistribution of the existing resources. The combined resources available for the general allocation model, GAM, and language support — currently 4,700 posts — will be used to create a single simplified allocation process to cover the general allocation model for learning and language support. Schools will have autonomy on how to deploy the resource between language support and learning support depending on their specific needs and any clustering arrangements between schools will be managed at local school level. The new arrangements also provide for additional permanent teaching posts to be given to schools with high concentration of pupils that require language support. Further additional temporary English language support will also be provided, as necessary, to schools that will have high concentrations of pupils that require English as an additional language support in the 2012-13 school year. These allocations will be made on the basis of appeals by any of these schools to the staffing appeals board.

On supports for pupils with low incidence special needs we are putting in place a network of about 2,450 full-time resource posts in over 1,600 base schools throughout the country that will be allocated on a permanent basis. This builds on the interim arrangements that operated in 2011 but in a more structured and transparent manner. The teachers in these full-time resource posts will undertake NCSE approved low incidence resource hours in the base schools or in neighbouring schools. Schools are typically notified of their NCSE approved resource hours in the late spring-early summer period but also throughout the school year. Through his or her role in allocating resources the local SENO will have an oversight role in relation to the sharing arrangements between schools so that they can operate as efficiently as possible and any time loss due to travel between schools can be kept to a minimum. This is an issue that principals in rural school raise time and time again. Schools that are unable to access their NCSE approved resource hours from this network of full-time resource posts will be allocated mainly part-time temporary posts. The overall objective of the reforms is to enable the teacher allocation process to operate more smoothly and efficiently within the new climate of fixed ceilings on teacher numbers and to facilitate redeployment and recruitment. They also reflect a commitment in the programme for Government to provide schools with greater autonomy over how resources are used. The Department will be working with schools and the relevant education partners to ensure that the new arrangements operate as efficiently as possible and minimise any time lost due to travel between schools.

The motion refers to the arrangements for the provision of guidance to second level schools. As part of budget measures guidance posts at post-primary level will no longer be allocated to any post-primary school on an ex-quota basis. Until now, a specific resource was provided to all second level schools for guidance in addition to the standard teacher allocation. Broadly this equated to an additional allocation of about one teacher for every 500 pupils. By bringing about the budget reduction in the number of second level teachers in this way we can maintain the main staffing allocation at 19:1 for schools generally and allow schools discretion in balanc-

[Deputy Ciarán Cannon.]

ing what they allocate for guidance against all other competing demands. I have already alluded to the fact that all 195 DEIS second level schools are sheltered with the introduction of a new more favourable staffing schedule of 18.25:1 for DEIS schools. This means that the DEIS schools will be better positioned to manage the changes in guidance provision within their increased standard staffing allocation. The departmental circular which is due to issue shortly will make clear that while the change provides schools with greater autonomy over the use of resources they cannot ignore the statutory obligations under the Education Act. Section 9 of the Education Act 1998 sets out a wide range of functions for schools of which section 9 (c) relating to guidance is but one. The Minister has not changed the Act and has no plans to change it.

School principals are being given greater autonomy over resources in line with the stated intention in the programme for Government to do just that. This is a change to how resources are allocated to schools not a policy decision to terminate guidance provision as some may choose to present it.

In higher education, the Government's priority is to preserve access to undergraduate higher education courses despite the difficult circumstances in our public finances. As a result, no changes were made to the eligibility criteria for undergraduate students in the recent budget. It is also worth emphasising that 41% of all undergraduate students currently receive a grant and pay no student contributions. Nevertheless, in the context of the necessary but difficult expenditure reduction measures announced in budget 2012, new students entering postgraduate courses from the 2012-2013 academic year onwards will not be entitled to any maintenance payment under the student grant scheme. Existing postgraduate students will not be affected. Those students who meet the qualifying conditions for the special rate of grant will be eligible to have their post-graduate tuition fees paid up to the maximum fee limit under the student grant scheme. In access terms, the requirement to pay a fee is considered to be a greater obstacle to entry than lack of maintenance support at postgraduate level. This is why the Government opted to maintain the fee payment ahead of maintenance payments for postgraduate students. In addition, a further limited number of students who would previously have qualified under the standard grant thresholds will qualify to have a €2,000 contribution made towards the costs of their fees. It is estimated this will help an additional 4,000 postgraduate students. This will require a new income threshold for this payment which will be lower than the existing standard grant threshold. The income threshold for this level of grant is currently being determined in the context of the formulation of the student grant scheme for the 2012-13 academic year. In addition to these supports, the student assistance fund will continue to be made available through the access offices of third-level institutions to assist students in exceptional financial need. Tax relief is also available on postgraduate tuition fees. While it is regrettable that any changes need to be made to student support, the Government believes that this approach will continue to provide resources for a relatively wide number of post-graduate students and allow us to maintain the high level of supports provided to undergraduate students.

On reforms to the grants system at third level, plans are well under way to replace the 66 existing student grant awarding bodies with one single grant awarding authority. The Minister has appointed the City of Dublin VEC to operate the centralised authority commencing operation for all new grant applicants for the 2012-2013 academic year and implementation arrangements are well advanced for this purpose. It is intended therefore that the new grant awarding authority will accept all new student grant applications from the 2012-13 academic year

onwards. The existing 66 grant awarding bodies will continue to deal with the renewal of applications for their existing grant-holders for the duration of their current courses. This will wind down the involvement of the existing grant awarding bodies in the student grants function over a three to four year period. The Government regards this as a positive example of genuine public sector reform. I believe it will ensure a better level of customer service for all those who use the student grant system.

At a time of great strain in our public finances we have to ensure that the very valuable but limited resources available to the education system are used in the best way possible. The Government is trying, as best as possible to protect front line services in the education sector at a time of rapidly rising enrolments in our schools. It is also trying to advance other reforms including giving increased control to schools over how they use resources. The Croke Park agreement has at its heart a fundamental trade off across the entire public sector. In return for commitments not to cut their pay public servants including teachers undertook to continue to deliver public services with reduced numbers by being flexible and adaptable. It is in all our interests that we make the best use of our available resources to achieve the best possible educational outcomes for our students.

**Senator Paschal Mooney:** I am grateful to the Minister of State for elaborating on the motion, as amended, by the Fianna Fáil group. I could not help but remark to my colleague that if we were on the other side of House, we would probably be making the same argument. I do not mean any disrespect to those who work full-time in the Department of Education and Skills. It is inevitable — it always happens — that when one proposes a motion, an amendment is tabled. That is the way politics works. I would like to pick up on the theme that was developed by Senator MacSharry. I was amazed to hear Senators on the other side of the House express shock and horror about speeches that are political in nature. This is a political Chamber. I do not want to refer to a newspaper report about one of our esteemed colleagues who seems——

**Senator Denis Landy:** The Senator should not refer to it if he does not want to.

**Senator Paschal Mooney:** ——on the basis of media reports——

**Senator Denis Landy:** He should not do something he does not want to do.

**Senator Paschal Mooney:** I want to do it in order to put it on the record of the House.

**Senator Denis Landy:** I would not like the Senator to have to do something against his will.

**An Cathaoirleach:** Senator Mooney, without interruption.

**Senator Paschal Mooney:** If Senator Landy wants me to be absolutely correct about the comment that was made to a Government Senator——

**Senator John Whelan:** One of the Senator's colleagues said this was not political.

**Senator Paschal Mooney:** I have obviously touched a sensitive nerve here. The comment I am going to make, which was often made to us when we were on the Government side, is "Look in the mirror — you are in government now, boys and girls". The Senators opposite have to face up to that particular reality.

**Senator Jim D'Arcy:** The Senator should calm down.

**Senator Paschal Mooney:** When they do that, they will also have to learn a lesson that we learned. Certain sacred cows have to be treated with great sensitivity in this country. One of them is the whole question of rural Ireland in its entirety. There is absolutely no doubt now in the minds of the people. I heard a Senator referring to the mandate the Government received a year ago. If there was an election in the morning, I wonder if the mandate would be as overwhelming. I know it is a hypothetical question. It will not happen.

**Senator John Whelan:** It would be the same result for Fianna Fáil.

**Senator Paschal Mooney:** The Senators opposite should be comfortable for the moment and enjoy their time in power. I remind them that public opinion has a strange way of coming back to bite one on the legs. On what is happening with rural schools and the whole rural issue, I saw it happening with the mistake and the debacle over the medical card issue, which was the most incompetent political decision any Government could make.

**Senator Denis Landy:** I applaud the Senator for admitting his Government made a mistake.

**Senator John Whelan:** Just one.

**Senator Paschal Mooney:** All I am saying is that the same thing seems to be happening in relation to the policies that are being pursued by this Government. This is one of the latest in a series of decisions that are seen as inherently anti-rural.

**Senator Jim D'Arcy:** Sinn Féin is decommissioning schools in the North.

**Senator Trevor Ó Clochartaigh:** If the Senator wants to debate the North some day, I can put him right.

**Senator Paschal Mooney:** I would like to refer to a particular coincidence. One of the e-mails I received came from——

**Senator Trevor Ó Clochartaigh:** We can explain it to him.

**Senator Paschal Mooney:** I will not respond to any of this noise that is going on beside me. I will plough ahead in the best interests of debate.

**An Cathaoirleach:** I thank the Senator.

**Senator Paschal Mooney:** As I said earlier, it is obvious that I have struck a rather sensitive nerve somewhere. My grandfather, God rest him, came from the small community of Kiltveevan in County Roscommon. By a strange coincidence, one of the schools that will be affected by this measure will be Kiltveevan national school. There are still some Mooneys in the area. I received an e-mail from a cousin of mine who told me that the local school is one of the schools at risk of losing a teacher in the future if the Government continues to target rural schools. My cousin made the point that such schools are at the heart of the rural community. She said they give children a sense of local identity and the meaning of community spirit. She argued that it is inexcusable that such unique characteristics of rural Ireland are under threat. Kiltveevan national school opened in 1897. My grandmother and my grandfather were educated there. My cousin's children are pupils there.

**Senator John Gilroy:** It is a pity that Senator Mooney and his colleagues did not reflect on this before they destroyed the country.

**Senator Paschal Mooney:** My cousin asked me to support the school authorities at Kiltewan national school and other schools when they protest about these measures. She went on to say that as the school has 52 pupils, it is okay for this September, but it could be in big trouble the following year. The plaque over the school says that it was built in 1897. It has survived previous recessions and two world wars, so it will not give in yet.

**Senator John Gilroy:** It might survive the actions of three Fianna Fáil Governments.

**Senator Paschal Mooney:** They are still there.

**Senator Jim D'Arcy:** Senator Mooney forgot to mention the War of Independence.

**Senator Paschal Mooney:** It stayed there during the Fianna Fáil Administration. It was actually built on. As one of my colleagues said earlier, Senators can carp all they like about the inequalities and inefficiencies of Fianna Fáil Administrations, but the people of this country recognise the manner in which the Fianna Fáil Governments of the last ten years, in particular, supported rural Ireland, rural schools, the education system in general and the capital programme. I do not think it can be questioned at all.

**Senator John Whelan:** Why did 12,000 people protest about education cuts outside the gates of this House in 2009?

**Senator Paschal Mooney:** I would ask the question——

**Senator John Whelan:** I want an answer.

**Senator Paschal Mooney:** My understanding is that there were twice as many people protesting on the streets in recent weeks about this Government's proposals. Nothing changes in that regard. All I am saying is that the Government has hit a sacred cow. My colleagues have made the case for their motion. The Government will have the GAA on its back. When rural schools start to close, the GAA will start to lose teams.

**Senator Jim D'Arcy:** The Senator does not need to worry about the GAA. We will be all right there. He does not need to worry about that now.

**Senator Paschal Mooney:** I have seen it happening in my own part of the country. If the school goes, the community goes. If the community goes, the people go and then there is nothing left. All of these things have to be considered. Senator MacSharry made the case eloquently that this is being done for the sake of €15 million. The Minister has said that nobody in the Department could come up with a saving of €15 million.

**Senator John Whelan:** Fianna Fáil wasted that every week when it was in government.

**Senator Paschal Mooney:** Our spokesperson on education has outlined where the savings can be made. I repeat that the Government has opened a can of worms of enormous proportions. It will come back to bite it on the feet or the legs again. Although everyone on this side of the House has sympathy for the Government as it faces serious economic difficulties and challenges and tries to find money, we feel that the education sector should not be touched to the extent that it is being touched. It is not in the best interests of the children of this country and the future generations we all talk about.

**Senator Denis Landy:** There are lots of Mooneys around, by all accounts. It is sometimes true that if one says something often enough, people will believe it. Contrary to what Senator Mooney suggested, we are not closing any schools. We are not closing any schools. We are not closing any schools. I have said it three times.

**Senator Brian Ó Domhnaill:** The Senator is making it worse.

**Senator Denis Landy:** That equates to the number of times Senator Mooney referred to the closure of schools in his contribution. Perhaps we are level at the moment.

Senator MacSharry wants to look at the books. His party had the books for 14 years. It wrecked this country. The Senator wants us to allow him to have another look at the books. It makes us laugh. When the late Séamus Brennan drew up a Green Paper for Fianna Fáil, he said we should move towards four-teacher schools as the ideal norm for rural Ireland. We are hearing crocodile tears from Senators Byrne and Mooney and others. We are trying to implement changes that have been forced on us by their Fianna Fáil colleagues. That is the reality of where we are in this country at this time.

Fianna Fáil seems to think it has some kind of grip on, or ownership of, rural Ireland. I would like to inform my Fianna Fáil colleagues that I served for eight years as the secretary of the parents' council of a rural three-teacher school. I served on the board of management of the school for four years. I led a campaign to convince the former Fianna Fáil Minister, Noel Dempsey, to sanction the construction of an extension to the school. My son and 40 other children were using an outside toilet until the Minister listened to our protests, which were aimed at securing normal human dignity for our children. Therefore, I do not need to be lectured about what we are doing with this country's education system. When Fianna Fáil had the money, it destroyed the country. It did not develop this education system when it had an opportunity to do so. My former Labour Party colleague, Senator Ó Clochartaigh——

**Senator Trevor Ó Clochartaigh:** I left the Labour Party because I have principles.

**Senator Thomas Byrne:** When the Minister of State, Deputy Cannon, was a member of the Progressive Democrats, he supported our Governments through thick and thin.

**Senator Denis Landy:** Senator Ó Clochartaigh is from Galway, although I am sure he was in Northern Ireland on a few occasions after he left the Labour Party.

**Senator Trevor Ó Clochartaigh:** More so than Senator Landy.

**Senator Denis Landy:** The Sinn Féin Minister for Education in Northern Ireland, Mr. John O'Dowd, proclaimed that he wanted to close all schools in Northern Ireland with fewer than 500 pupils. Senator Ó Clochartaigh has come to the House today to tell us how to organise our educational system in the South of Ireland. I rest my case.

**Senator Trevor Ó Clochartaigh:** Senator Landy should know it is a completely different system.

**Senator Denis Landy:** I would like to ask the Minister of State two questions.

**Senator Trevor Ó Clochartaigh:** They have school meals, special education and youth counselling in the North.

**Senator Denis Landy:** I commend the Minister of State on his approach to the subject tonight. He has made a reasonable contribution, in the context of where we are. I welcome the decision to provide for an appeals process. This is an unprecedented year. I mentioned my involvement in Newtown Upper national school in Faugheen near Carrick-on-Suir. The school had the required numbers on 13 September last year but will, as a result of the change, be one pupil short of the threshold. The appeals system requires more resources, in other words, more posts will have to be held until the appeals system has processed such cases. I appeal to the Minister of State to raise this matter in his discussions with the Minister for Education and Skills.

Many schools have a full post for resource and learning support. I ask that the Minister combine resource teaching and learning support in one post. Eliminating travel and subsistence for teachers who are required to travel between schools would secure savings for the State. The two steps I have proposed will help address the difficult position we are in. I thank the Minister of State for coming before the House.

**Senator Thomas Byrne:** I am pleased to speak to the motion and discuss the track record of the Fianna Fáil-Progressive Democrats Government, of which the Minister of State, Deputy Cannon, was part for most of his political career, in providing education, in particular, as Senator Mooney noted, the capital education programme.

On the one hand, my party has been criticised for tabling this motion while, on the other, every speaker on the Government side has made a special plea for local schools. Senator Landy, for example, referred to an appeals system. Based on the details he provided, such a system would not benefit his local school. He would be better telling that to people in his locality. The same applies in Raphoe. Unless enrolments in the Senators' local schools increase significantly next year, the appeals system will not lead anywhere.

It is shameful that Senator Harte, who was delighted to have his photograph taken for *The Sunday Times*, refuses to support one of the most non-political Private Members' motions to come before the House. The text does not make any criticism of the Government but merely states the facts. The Senators opposite have all stated the facts in the media but do not have the courage of their convictions in the House. The message sent to rural schools on "Six-one" on the day of the budget was that they must consider amalgamation. Pupils, teachers and parents watching the programme at home wondered what the Government meant at the time. Now that the proverbial has hit the fan, Government Members tell Opposition Senators that we must not say the Government is closing schools.

**Senator John Gilroy:** The Senator should be honest.

**Senator Thomas Byrne:** Speaking on "Six-one" on the day of the public expenditure statements, namely, the Monday preceding the Budget Statement, the Minister stated he would ask schools to consider amalgamation. Those were his words and maybe different meanings could be drawn from them but what is the message they convey to schools? The Government has decided, on the basis that it did not receive many votes from a certain sector, that it is all right to target this sector for savings because it is a constituency that votes for Fianna Fáil.

**Senator Martin Conway:** That is a cynical statement.

**An Cathaoirleach:** Please allow Senator Byrne to continue without interruption.

**Senator Thomas Byrne:** In County Meath, it was votes from this constituency that made the difference between the Labour Party winning a seat and not winning a seat.

**A Senator:** What about stag hunting?

**Senator Thomas Byrne:** With all due respect to stag hunters, I am much more concerned about the issue of education in rural areas. My party will continue to hold the Government to account on its promises on stag hunting.

Government Senators have not had the courage of their convictions on the issue of guidance counsellors, about which all of them have complained. We do not believe the promised review of DEIS schools will be a proper review as we have not been given any commitments on the issue.

On the issue of learning support and the general allocation of resource teachers and resource hours, an entirely new system is about to be introduced which is causing considerable disquiet in schools. Many of them have contacted me on the issue, including the principal of Gaelscoil na Rithe in Dunshaughlin where two posts will be filled by seven people, not all of whom will be able to comply with the ethos of the school. Although they are all good people, not all of them will be fluent Irish speakers. The school principal cannot understand how the new system, which arises from a division of responsibility between the Department and the National Council for Special Education, will save money. Not only will it not achieve savings, it will cause considerable upset and disquiet in schools. I ask the Minister to ascertain whether the proposals on the general allocation, which will be made shortly if they have not been made already, will save money or cause unnecessary problems for schools. As schools discover what is being proposed, they are becoming upset and worried and contacting local public representatives.

We must stand up for small schools. As the House heard, parents in Leenane must drive 20 miles to bring their children to school. I am aware of a case in another area where parents must drive 45 miles to reach the nearest Church of Ireland school. It is pointless to argue about the unfairness of a low pupil-teacher ratio because such arguments do not take account of the distances pupils must travel to school or the fact that teachers in the schools in question must teach several classes and still achieve good results for their pupils. Nor does it take into account the traditions of local areas and the issue of parental choice. The Minister of State may be surprised to learn that there are 25 schools with four teachers or fewer in County Meath and a further 25 schools with 100 pupils or fewer, all of which will be affected by the Government's proposal. These schools are fearful and do not accept the guff from the Government that it does not have options. That is nonsense.

**Senator Martin Conway:** What options are available?

**Senator Thomas Byrne:** When my party was in government, an Administration supported by the then Deputy Cannon, we introduced broad based cuts. This Government has targeted a particular sector because it believes it will not be noticed in the electoral scheme of things. That is a shameful way to plan educational policy and reveals a complete absence of strategy. The decision it has taken is based on what it believes it can get away with. The saving of €15 million comes at a price in terms of life in rural Ireland, the Irish language and minority faiths. Those are the areas that are being affected for the sake of €15 million. The Government believes it has got away with it but what will it do next year and in subsequent years when it will have to hammer everybody by introducing broad based cuts?

**Senator Pat O'Neill:** Why is that?

**Senator Thomas Byrne:** While the Government may have got away with it politically this year, those who are affected by these cuts will not forget. The Government's projections are

being lowered and worse cuts will be required. While I wish it luck in this respect, it must be as fair as possible. Its members should not say one thing in the media and another in the House.

**Senator Tom Sheahan:** The Minister of State, Deputy Cannon, and Minister of Education and Skills, Deputy Quinn, do not want to introduce cuts but must do so because savings have to be made. Pay and pensions account for 80% of the overall education budget, with the remaining 20% allocated to run education services. As pay and pensions are protected by the Croke Park agreement, only 20% of the budget is available for cuts. I ask Senators to suggest where expenditure can be reduced to secure the necessary savings.

I appeared on a radio programme last Saturday when Senator Daly suggested that charging the same price for diesel throughout the country, including for agricultural purposes, would secure the savings required. I am afraid that is not the case.

As I noted, pay and pensions account for 80% of the budget. Speaking at a public meeting recently, I told the 300 people present that I did not come to tell them what they wanted to hear and that they may not want to hear what I had to tell them. If the €300 million being paid in increments to the public sector were on the table for negotiation, cuts would not be needed. However, no one is willing to put that issue on the table. The decisions the Government has taken are the consequence of decisions taken by a previous Government. Under the Croke Park agreement, public sector workers decided they would work with fewer staff rather than for less money. This was the choice that had to be made and they chose the former option.

The proposed measures must be implemented on a case by case basis to take account of schools such as the school to which Senator Byrne referred where parents must drive 45 miles to bring their children to school. On the other hand, my parish has seven national schools, namely, one eight teacher school, two four teacher schools and four two teacher schools. As a public representative I cannot stand over this because it is not sustainable.

I went to a public meeting attended by 300 people and told them I could not tell them what they wanted to hear. They did not want to hear what I had to tell them. Probably two of those schools will close while the other two will be amalgamated. The parents have already decided because they pass these two-teacher schools and go to the four-teacher and eight-teacher schools.

**Senator Paschal Mooney:** Is Senator Sheahan listening to his colleague about no closures?

*(Interruptions).*

**An Cathaoirleach:** Senator Sheahan, without interruption.

**Senator Tom Sheahan:** I am stating what I have seen in my parish where parents pass the two-teacher schools and bring their children to the four-teacher and eight-teacher schools for greater inclusion, team games, sports and the quality of the education they receive. That is what people have told me and I am relaying it to the House.

As I said, the Minister does not want to do this but savings must be made. These savings must be extracted from 20% of the budget, which is unfortunate. However, we must ask why the Minister must do this.

**Senator Averil Power:** As I said, Members on all sides appreciate cuts must be made. All of my colleagues made that point in their contributions but those cuts should be fair and strategic. The changes the Government chose to deliver in education failed miserably on both counts.

[Senator Averil Power.]

As I said, the Minister acknowledged the Government made mistakes, in particular in regard to DEIS. It is time it undid those mistakes — not review them or reshape them but reverse them.

Let there be no doubt among Members on all sides that short term savings in education will cost the State much more in the long run. In the current economic environment in which we are looking at where to prioritise expenditure, we must be smart and think about the longer term impact and how it will affect our prospects for recovery. From a social point of view, everyone only gets one childhood. The Minister should not deprive children in the most disadvantaged areas in this country of the only chance they have of getting a fair start in life. He should not tear the heart of our rural communities and force young people to go on the dole or emigrate instead of availing of the opportunity of a post graduate education. Those are the stark choice before us.

There is a fairer way. As I said, if the universal social charge had been increased only for those earning more than €115,000, it would have secured €40 million. Not one speaker opposite told me why that was not done, including the Minister.

**Senator Jim D’Arcy:** I did.

**Senator Pat O’Neill:** Senator D’Arcy did. The Senator was not listening.

**Senator Averil Power:** He did not say why it was not done.

**An Cathaoirleach:** Senator Power, without interruption.

**Senator Jim D’Arcy:** I said there had to be a balance between Departments.

**An Cathaoirleach:** Senator Power, without interruption.

**Senator Averil Power:** Okay. Perhaps the Senator believes there are good reasons for not increasing the universal social charge for those earning more than €115,000 but I do not. The wealthiest people in this country should pay the most during our current difficulties and those who are most vulnerable should be protected.

*(Interruptions).*

**Senator Pat O’Neill:** Where did we get the universal social charge? We changed it.

**An Cathaoirleach:** Senator Power, without interruption.

**Senator Averil Power:** Senator O’Neill’s good friend, the Minister for the Environment, Community and Local Government, Deputy Hogan, was able to find €20 million yesterday for the septic tank registration.

**Senator Pat O’Neill:** That money was never collected, so it is not a saving.

**Senator Averil Power:** The children from our most disadvantaged areas deserve the same ingenuity the Minister, Deputy Hogan, was able to bring to the septic tank issue.

**Senator Brian Ó Domhnaill:** Phil the fiver.

**Senator Averil Power:** We should look for a sensible way to look after children from the most disadvantaged areas who will be affected for the rest of their lives by these cuts. We

should look at this with the same ingenuity I respectfully acknowledged the Minister brought to the septic tank issue.

**Senator Pat O’Neill:** On a point of order, the water services legislation stated “up to €50”. It did not state——

**An Cathaoirleach:** Senator O’Neill, that is not a point of order.

**Senator Pat O’Neill:** It is a point of order.

**An Cathaoirleach:** Senator Power, without interruption.

**Senator Averil Power:** The Minister was in the House——

**Senator Pat O’Neill:** I wanted to correct the record.

**Senator Averil Power:** ——for more than 20 hours of debate on septic tanks and during all of that time insisted that the €50 had to be paid. Somehow, between when it was last debated in this House and——

**An Cathaoirleach:** Senator Power, we are on education.

**Senator Averil Power:** ——yesterday, he managed to find €20 million. I congratulate the Minister on being able to find a sensible outcome to that issue.

*(Interruptions).*

**An Cathaoirleach:** Senator Power, without interruption.

**Senator Jim D’Arcy:** I am enjoying listening to Senator Power give us the Sinn Féin policies.

**Senator Martin Conway:** She is not speaking to the motion.

**An Cathaoirleach:** Senator Power, without interruption.

**Senator Darragh O’Brien:** I think our speaker should be afforded some protection.

**An Cathaoirleach:** Senator Power, without interruption.

**Senator Averil Power:** I am not only responding to the last point of order but I am responding to requests made by several——

**Senator Martin Conway:** On a point of order, it is now 7.05 p.m. Two hours have elapsed. It is time the Cathaoirleach put the question.

**An Cathaoirleach:** Can Senator Power conclude without interruption?

**Senator Brian Ó Domhnaill:** The Senator does not want to hear the truth.

**An Cathaoirleach:** Can Senator Power conclude without interruption?

**Senator Averil Power:** I was responding to requests by Members to explain where we would find the money and why we believe there is a fairer way. That was my answer.

**Senator Jim D’Arcy:** It is gone septic. We should be finished by now.

**An Cathaoirleach:** Can we have respect for the Senator? She has the right to reply for five minutes.

**Senator Averil Power:** I genuinely accept that voting against our motion will be difficult for Members opposite and I understand that is why they are shouting at me to divert from the motion and the debate we have had. I appreciate it is difficult for them to go back to their areas to sell this and stand over these cuts. I ask those Members to reflect on the impact the cuts will have, in particular on the most disadvantaged communities. Even if they vote against the motion, will they implore the Minister to look again at this to ensure the review he announced in regard to DEIS is real and meaningful and is not just a PR exercise, at the impact on those rural schools which will be hardest hit and at post graduate grants. I appreciate that for political reasons those opposite will not support the motion but I ask them to ask the Minister to think again because they are all genuine people and care about this.

**Senator Jimmy Harte:** What about the builders who still have a lot of money?

Amendment put.

The Seanad divided: Tá, 30; Níl, 18.

Tá

Bacik, Ivana.  
Bradford, Paul.  
Brennan, Terry.  
Burke, Colm.  
Clune, Deirdre.  
Coghlan, Eamonn.  
Coghlan, Paul.  
Comiskey, Michael.  
Conway, Martin.  
Cummins, Maurice.  
D'Arcy, Jim.  
D'Arcy, Michael.  
Gilroy, John.  
Harte, Jimmy.  
Hayden, Aideen.

Healy Eames, Fidelma.  
Heffernan, James.  
Henry, Imelda.  
Higgins, Lorraine.  
Keane, Cáit.  
Kelly, John.  
Landy, Denis.  
Moloney, Marie.  
Moran, Mary.  
Mulcahy, Tony.  
Mullins, Michael.  
O'Donnell, Marie-Louise.  
O'Neill, Pat.  
Sheahan, Tom.  
Whelan, John.

Níl

Byrne, Thomas.  
Cullinane, David.  
Daly, Mark.  
Leyden, Terry.  
MacSharry, Marc.  
Mooney, Paschal.  
Mullen, Rónán.  
Norris, David.  
Ó Clochartaigh, Trevor.

Ó Domhnaill, Brian.  
Ó Murchú, Labhrás.  
O'Brien, Darragh.  
O'Sullivan, Ned.  
Power, Averil.  
Reilly, Kathryn.  
van Turnhout, Jillian.  
Walsh, Jim.  
Wilson, Diarmuid.

Tellers: Tá, Senators Ivana Bacik and Paul Coghlan; Níl, Senators Averil Power and Diarmuid Wilson.

Amendment declared carried.

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

The Seanad divided by electronic means.

**Senator Diarmuid Wilson:** Under Standing Order 62(3)(b), I request that the division be taken again other than by electronic means.

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

The Seanad divided: Tá, 30; Níl, 18.

Tá

Bacik, Ivana.  
Bradford, Paul.  
Brennan, Terry.  
Burke, Colm.  
Clune, Deirdre.  
Coghlan, Eamonn.  
Coghlan, Paul.  
Comiskey, Michael.  
Conway, Martin.  
Cummins, Maurice.  
D'Arcy, Jim.  
D'Arcy, Michael.  
Gilroy, John.  
Harte, Jimmy.  
Hayden, Aideen.

Healy Eames, Fidelma.  
Heffernan, James.  
Henry, Imelda.  
Higgins, Lorraine.  
Keane, Cáit.  
Kelly, John.  
Landy, Denis.  
Moloney, Marie.  
Moran, Mary.  
Mulcahy, Tony.  
Mullins, Michael.  
O'Donnell, Marie-Louise.  
O'Neill, Pat.  
Sheahan, Tom.  
Whelan, John.

Níl

Byrne, Thomas.  
Cullinane, David.  
Daly, Mark.  
Leyden, Terry.  
MacSharry, Marc.  
Mooney, Paschal.  
Mullen, Rónán.  
Norris, David.  
Ó Clochartaigh, Trevor.

Ó Domhnaill, Brian.  
Ó Murchú, Labhrás.  
O'Brien, Mary Ann.  
O'Sullivan, Ned.  
Power, Averil.  
Reilly, Kathryn.  
van Turnhout, Jillian.  
Walsh, Jim.  
Wilson, Diarmuid.

Tellers: Tá, Senators Ivana Bacik and Paul Coghlan; Níl, Senators Averil Power and Diarmuid Wilson.

Question declared carried.

**Acting Chairman (Senator Tom Sheahan):** When is it proposed to sit again?

**Senator Maurice Cummins:** Ar 10.30 maidin amárach.

### **Adjournment Matters.**

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### **Battle of the Boyne Site**

**Senator Thomas Byrne:** I will outline briefly the need for this playground project, which got the go-ahead under the Minister of State's predecessor, Dr. Martin Mansergh. East Meath is devoid of community facilities, although they are starting to come on stream. The Battle of the Boyne site, which is a major tourism attraction, provides the perfect opportunity to construct a playground for the benefit of east Meath, including Duleek, Donore, Slane, Tullyallen in County Louth, which is just across the river, and the wider catchment area including Drogheda

[Senator Thomas Byrne.]

and Navan. In that way, local inhabitants could enjoy the benefits of a public playground. It would be a win-win situation for the OPW and the Government as it would attract people to the Battle of the Boyne site from the locality who may not otherwise be attracted there. Similar schemes are in operation at Argillan Park in Balbriggan and at Newbridge House in Donabate. I hope the Government will proceed with the project based on those models, having received planning permission. I look forward to seeing progress being made with it as I know people are awaiting its completion.

**Minister of State at the Department of Finance (Deputy Brian Hayes):** I am grateful for the opportunity to address this matter which has been brought to the attention of the House by Senator Byrne. Oldbridge Estate comprises 500 acres of land, with an 18th century manor house, stable and farm buildings. The property was the core site of the historic Battle of the Boyne between King James II and King William III in 1690. The site is dear to the traditions of the Unionist community in Northern Ireland and played a pivotal role in the recent peace process. The Office of Public Works has developed the site as a heritage and tourism presentation. Senator Thomas Byrne has taken a great interest in this and lives quite close to the site. Following in-depth historical and archaeological research, a programme of works was implemented. The manor house was restored and adapted as the main visitor focus with several exhibitions and services. These included models, graphics, artefacts, multimedia projections, an audio-visual show, displays of replica artillery, maps and literature. The house also has a reference library and adjacent tea rooms. It is staffed by OPW guides and is open all year round. A car and bus park has been provided, together with toilets and signage. Extensive signposted walks are laid out throughout the grounds. Further improvements are planned including the completion of the large walled gardens restoration project.

A variety of events and animations are held in the main tourist season, including living history displays of cavalry and musketry, theatrical presentations, athletic competitions and community events. The site has been an outstanding success on many levels and attracts large numbers of visitors. More than 40,000 visitors annually are received in the formal presentations in the house. However, experience over the past few years has shown a strong pattern of use of the grounds and walkways by local and regional leisure, sports and recreational visitors from the Meath and Louth hinterland. Families, in particular, come in large numbers to avail of the open parkland and services such as the tearooms and gardens. In this context it was suggested that a children's playground would enhance the overall attraction of the park and provide much needed facilities for regular users from the local and regional community. It is widely recognised that playing activity enhances the overall educational well-being of children and stimulates appreciation of their environment.

The OPW agreed in principle with these objectives, developed a design scheme for a playground and obtained planning permission from Meath County Council on 26 September 2011. Final design details are currently being completed and it is intended to invite tenders for the project shortly. In these times of major economic challenge, it is difficult for the OPW to prioritise the allocation of scarce financial resources for such projects and the matter will be reviewed again when tenders have been received. Given the benefits of such a facility to the local community and the remit of local authorities in this context, Meath County Council has also been asked to make a contribution to the cost of the provision of the playground and its subsequent maintenance. It is felt that such an approach would further the objectives of both organisations and result in the successful provision of an additional popular facility in the county. The net issue is that I want to see it happen. We have planning permission and we are seeking a contribution from Meath County Council. On Sunday, I will make my third visit to Oldbridge, which is a fantastic facility. I agree that we need to build a playground because it

will enhance the excellent facilities. We are getting the tenders back and I hope we can give it the green light so that the playground is in place in 2012, the sooner the better.

**Senator Thomas Byrne:** That is mixed news. I am slightly concerned that the decision will be reviewed when the tenders come in but I am heartened by the commitment shown by the Minister of State. A contribution by Meath County Council is reasonable. The council has had major difficulty in securing sites for the provision of playgrounds, particularly in the village of Donore, the nearest village to the site. It was not able to agree on a site for a playground so this will be the perfect place for a playground for the village of Donore. I understand the council has some funds for it. I initiated a discussion with the county council a year and a half ago and I put the suggestion to it on behalf of the former Minister of State, Martin Mansergh. Formal contact took place after that and I urge the Minister of State to maintain contact with the county manager. It will be a win-win situation, with the community and the OPW benefiting. This will attract families to come to the place. I have three young children and I bring them to it. They will look forward to a lovely playground. I do not know whether the Minister of State has looked into funding from the east Border region or Drogheda Borough Council or Louth County Council. This would be of great benefit to the town of Drogheda. I will press the Minister of State on this and wish him well in his deliberations. There will be a net revenue benefit to the OPW if this is built.

**Deputy Brian Hayes:** I want to get this done and I am confident we will have it done. I think it will be done by summer.

### **Garda Investigations**

**Senator Deirdre Clune:** I am glad to raise this issue, which came to light last week following the publication of the Garda Inspectorate report on the investigation of sexual offences against children. There was criticism of the handling of these cases by the Garda Síochána. The report was produced in 2010 and published last week by the Minister for Justice and Equality. I hope for assurances that certain changes have been made to ensure such events do not recur.

The lack of coherence became apparent after the Garda Síochána was unable to supply the Garda Inspectorate with annual figures for sexual offences against children. A number of issues have been highlighted. In one third of cases, details of the investigation had been entered into the Garda PULSE database but had not been classified as criminal offences. Guidelines for inputting crimes were not being followed and three cases involving nine injured parties had been entered as a single offence. One fifth of cases of a sample entered into PULSE were done one month after the complaint had been made. There is fear among gardaí that they will be subject to civil action if they input the complaint before an investigation and the Garda Inspectorate recommended that these fears be allayed. It is most important that cases of sexual abuse of children should be acted upon immediately.

The inspectors referred to turf wars between HSE and the Garda Síochána and the reluctance of the HSE to call in the Garda Síochána to investigate allegations until after children had undergone therapy. This undermined subsequent prosecutions because the accused could question the integrity of evidence that emerged in therapy. The lack of meaningful co-operation between HSE and the Garda Síochána was disappointing, particularly in light of the excellent relations between the Garda Síochána and other agencies. The Minister of State is well aware of this issue and I raise it because I am concerned about it. It is very important that it is raised in this House and that fears are allayed with regard to the steps taken to ensure such discrepancies, leading to several cases of sexual abuse against children not being investigated, are addressed.

[Senator Deirdre Clune.]

It is estimated that one in five children in Europe is a victim of some form of sexual violence within the family circle, whether child pornography, prostitution, corruption, solicitation via the Internet or sexual assault by their peers. Only 10% of cases come to the notice of the child protection services and of the 254 cases analysed in the report *Responding to Sexual Abuse*, only eight resulted in convictions. These figures underline the importance of immediate movement and co-ordination between the Garda Síochána and the HSE. In subsequent media reports, the Rape Crisis Network Ireland welcomed the report and suggested it would protect children from further risk and that they could be identified and protected. I would like the Minister of State to respond regarding the situation following the publication of the report.

**Deputy Brian Hayes:** I thank the Senator for raising this important issue. I apologise on behalf of the Minister for Justice and Equality, who is unable to be in the House.

In her contribution the Senator highlighted the importance of the Garda Inspectorate. When the Garda Síochána Bill was taken in his House — I was here from 2002-07 — one of the points made on the sections concerning the independence of the inspectorate was the necessity to report, on a regular basis, on issues of public concern. The inspectorate is not only independent but also carries with it the weight of international expertise, which was badly needed in terms of the formation of policy in this area. It is important that the report is in the public domain, but more importantly that the Department of Justice and Equality and the Garda are following its recommendations.

The Minister is grateful to the Garda Inspectorate for its analysis and recommendations, which are focused on improving the investigation of child sexual abuse and better protecting children. While the inspectorate identified deficiencies at the time of its inspection in 2010, it also acknowledges the Garda Síochána is addressing the issue of child sexual abuse as a top priority and that progress has been made in recent years.

On behalf of the Minister, I can assure the House, and Senator Clune in particular, that the development of an effective response to the serious issues detailed in the report is well under way and reflected in the measures set out in the comprehensive response document which the Minister published along with the inspectorate report last week. The Minister acknowledges the inspectorate report is balanced and comprehensive in terms of the situation under review at the time.

That said, it is important to note that while the inspection was under way, An Garda Síochána issued a comprehensive policy on the investigation of sexual crime, crimes against children and child welfare arising from its review of Garda work practices and methodologies for the investigation of such cases. This had the effect that many of the inspectorate's recommendations had already been incorporated into Garda practice as it had changed in the intervening period.

The inspectorate report identified a number of deficiencies. In particular, it identified a problem with under-recording of this type of offence. However, the report also points out that when this issue was brought to the attention of the Garda authorities during the inspection, swift action was taken to comprehensively deal with the issue of under-recording. The Garda Commissioner has recently reiterated that a new system has now been put in place to ensure proper recording of such cases.

The Minister also notes that the inspectorate report placed a considerable emphasis on effective interagency working in the area of child protection. In this regard, the Minister for Children and Youth Affairs, Deputy Fitzgerald, has published revised *Children First* guidelines, the implementation of which is being overseen by an interdepartmental group including representatives of relevant Government Departments, the HSE and An Garda Síochána.

In addition, the Garda Commissioner has established a strategic committee within An Garda Síochána, chaired by the assistant commissioner in charge of national support services, to liaise with the HSE's national director of children and family services. Furthermore, a sexual crime management unit has been established within An Garda Síochána and a countrywide network of interview suites has been put in place for use when interviewing children under 14 years of age against whom a sexual and-or violent offence is alleged to have been committed. The interview process is a joint Garda-HSE exercise. Gardaí and social workers have undergone joint training, organised by the Garda authorities, in the specialised interviewing skills necessary for interviewing such victims.

Work is already under way on a number of key legislative measures within the Department of Justice and Equality to support child protection. For example, work is proceeding on key legislative measures such as the criminal justice (withholding information on crimes against children and vulnerable adults) Bill and the national vetting bureau Bill. Furthermore, the Government has given approval to the Minister for Children and Youth Affairs to put the Children First guidance on a statutory basis.

The Minister and the Government want to acknowledge the good progress that is being made in strengthening co-operation between An Garda Síochána and the HSE as the principal bodies for child protection matters in Ireland. The Government is determined, as a priority, that an effective collaborative response to child sexual abuse is in place, as part of an overall transformation and strengthening of the State's child welfare and protection systems.

**Senator Deirdre Clune:** I thank the Minister of State for the comprehensive statement. For clarification, have the interviewing process and liaison between the HSE and the national director of child and family services happened since the report was published or are they in addition to what is in place since the investigation by the inspectorate?

**Deputy Brian Hayes:** I do not know. I will find it out for the Senator. I understand some services were being put in place anyway because the Garda, in collaboration with the HSE, had accepted the necessity for the services before the recommendations were published. I cannot tell the Senator definitively if all services were put in place in advance. I will make sure the Minister drafts a note and sends it to her.

### **Aerfort na Gaillimhe**

**Senator Trevor Ó Clochartaigh:** I would like to share time with Senator Healy Eames.

**Acting Chairman (Senator Tom Sheahan):** Is that agreed? Agreed.

**Senator Trevor Ó Clochartaigh:** I thank the Minister and appreciate him coming to the House for this Adjournment matter. It is an urgent matter and I am sure he is well aware of the situation in Galway Airport.

Táim ag ardú na ceiste i gcomhthéacs todhchaí aerfort na Gaillimhe, ceist a d'ardaigh mé cheana leis an Aire anseo sa Seanad agus ag cruinnithe eile mar is cosúl go bhfuil an t-aerfort i mbaol. Baineann an cheist seo freisin le cearta na n-oibríthe agus an infheistíocht Stáit atá déanta.

I am raising the issue in the context of the ongoing situation in Galway Airport. The Bank of Ireland has taken over €1 million out of its account. I appreciate the Minister does not have direct responsibility for that and that the airport is an independent company. The story of Galway Airport goes back quite a while. We have had discussions here on transport issues and I raised the future of Galway Airport with the Minister in the context of the OPEX grant having to be curtailed. The subsequent exit of the managing director was not a good omen.

[Senator Trevor Ó Clochartaigh.]

There was a board meeting today and we are not sure exactly what happened, but the airport is in jeopardy. I am eagerly awaiting clarification.

In regard to the funding given by the Government to the airport, certain moneys were made available for redundancy payments to staff. Can the Minister clarify whether that is true? If it is, is that part of the money that the Bank of Ireland has taken from the account and where does that leave the workers who, it would appear, are in danger of losing their jobs? They are currently engaged in a sit-in in the airport to make sure their rights are upheld. It is an important issue.

I ask the Minister to indicate his thoughts on the future of the airport. Those in Galway see it as an essential part of its infrastructure if we are to try and keep industry going and attract industry and tourists into the area. Therefore, whatever the future of the airport is, whether it goes into liquidation or is sold on, we need to know what the Government's plan is for the site in Carnmore. Can the Minister indicate where the Government stands? Has there been any engagement between the Government, the Department or officials and the airport management and workers to try to determine what can be salvaged from this very difficult situation?

**Senator Fidelma Healy Eames:** I welcome the Minister. I want to confine my remarks to the workers, their sit-in and their fears about not getting statutory redundancy. I also want to refer to the actions of Bank of Ireland. I have one or two questions.

I understand it was largely State money that was lodged in the Bank of Ireland account and that the money, in an unprecedented manner, was raided by Bank of Ireland without any notice to the directors. I am a former director of Galway Airport myself and I always recall the prudence and exactitude with which business was done there to adhere to corporate governance and I understand the Revenue Commissioners are paid up to date.

I would like the Minister to comment on the behaviour of Bank of Ireland in this case and what action he thinks we should take as a Government given our reputation abroad is very important. We are trying to attract investors. We were ranked in the top ten of places to do business in the last week but this would not instil confidence in anyone thinking of investing here. This is one of our pillar banks in which we have a stake.

I can confirm that local businesses are very concerned about this. One gentleman spoke to me about having an up to date loan and working capital in another account. He has 43 staff and he says if the bank moved like this on him, he would have to make those staff redundant.

Can the Minister of State confirm the workers will get their statutory redundancy? In what ranking are they as preferential creditors? I understand the Revenue Commissioners have been paid up to date so are the workers next in line or are they guaranteed their money?

**Minister for Transport, Tourism and Sport (Deputy Leo Varadkar):** I announced in June 2011 that I had secured Government approval for additional funding to be made available to all six regional airports in 2011, including Galway Airport, reversing the cut in funding made by the last Government. However, at that time the Government also decided that it would not be able to provide operational or capital funding to Galway Airport or Sligo Airport from 2012 onwards, given the need to consolidate the number of airports on the west coast. In making that announcement, I encouraged Galway Airport and Sligo Airport, as privately owned entities, to use the opportunity provided by the additional funding in 2011 to engage with various parties, including business interests, investors and local authorities, to secure their ongoing viability in some form. Both airport companies have pursued this.

In December 2011, a total €5,392,334 was allocated to the six regional airports to cover a portion of their operating costs incurred in 2011. This included a subvention of €2,309,191 to

Galway Airport. This funding was allocated under the regional airports operational expenditure subvention — OPEX — scheme to the airports at Donegal, Sligo, Ireland West Airport Knock, Galway, Kerry and Waterford. The operational funding scheme covers regional airports for a given range of costs arising from core airport services, but only when these costs cannot be fully recovered from their own income.

In addition, €222,943 was paid to Galway Airport in 2011 under the regional airports capital expenditure — CAPEX — grant scheme. This brings to €15.5 million the total amount of funding paid to Galway Airport in the past ten years under the OPEX and CAPEX schemes. The capital funding provided focuses mainly on safety and security projects, which aim to ensure that each airport can comply with the latest national and international aviation safety and security standards.

While Ireland West Airport Knock, Kerry Airport, Waterford South East Regional Airport and Donegal Airport will be eligible for funding up to the end of 2014, ongoing support during this period will depend on the availability of funds. These airports are expected to work towards achieving operational viability over this period. The decision to continue to provide funding to these four airports was based on the need to ensure the most effective use of scarce Exchequer resources to support the regional airports network serving the public both in terms of business and tourism. The aim is to ensure that Ireland has a sufficient network of regional airports while taking into account significant improvement in road networks, shorter and more reliable journeys by road and rail and the collapse in passengers flying domestically. I fully recognise the difficulties being experienced by Galway Airport at present. However, as a privately owned entity, it is a matter for the owners and management to work out how best they can secure their future.

In total, over €15 million in subsidies has been paid to this airport in the past ten years. Despite this, the airport has run up multimillion euro debts on top of that and even though subsidies continued throughout 2011, all scheduled flights ended several months before the subsidies were ended. Although it is no reflection on the hard work done by the board and staff at Galway Airport, the decisions made by the Government on the viability of the airport have been proven to be correct and there are no plans to extend support to airports not currently supported.

Bank of Ireland is a private company; the Government only has a 15% shareholding in the bank. I understand €1 million was taken from the bank account unilaterally by Bank of Ireland. I also understand, however, that Galway Airport had an agreement with Bank of Ireland that allowed it to do that. It is unfortunate that is the case given the loans are still being serviced.

The payments under the CAPEX and OPEX schemes are not for redundancy. CAPEX is for capital development and OPEX is to cover operating losses a company makes. Redundancy in private companies is not paid for by the State and the State does not provide redundancy payments in bodies it does not own. When it comes to redundancy, it must be paid by the company, or if the company becomes insolvent, by the Department of Social Protection under the scheme. Workers can be assured their statutory redundancy will be paid, although it may take some time for the payment to be processed either by the receivers or the Department of Social Protection, depending on how things spin out. Workers owed money or redundancy are first in line as preferential creditors, followed by the Revenue Commissioners and then other secured creditors.

**Senator Trevor Ó Clochartaigh:** How much of the money that has been taken by the bank is part of the CAPEX or OPEX grant that was paid by the State to the company? Does the State have any claim on that money?

**Senator Fidelma Healy Eames:** Could the Minister outline the preferential creditor status again?

**Deputy Leo Varadkar:** If the company is wound up, the first call goes to workers who are owed pay or redundancy, then the Revenue Commissioners and then other secured creditors.

The State has no claim on the money paid. It was paid to Galway Airport under the OPEX scheme to cover its operating losses, which were significant for the year. That is why the money was paid. Unfortunately, on top of that the airport had multimillion euro debts and the money appears not to be sufficient to cover those debts.

The Seanad adjourned at 8.10 p.m. until 10.30 a.m. on Thursday, 9 February 2012.