



DÍOSPÓIREACHTAÍ PARLAIMINTE
PARLIAMENTARY DEBATES

SEANAD ÉIREANN

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

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SEANAD ÉIREANN

Déardaoin, 28 Feabhra 2013

Thursday, 28 February 2013

Chuaigh an Cathaoirleach i gceannas ar 10.30 a.m.

*Machnamh agus Paidir.
Reflection and Prayer.*

Business of Seanad

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

To ask the Minister for Justice and Equality if any progress has been made on the commitment he gave to the Seanad on 2 May 2012 to bring forward early in the new year amendments to section 37 of the Employment Equality Act 1998.

I have also received notice from Senator John Kelly of the following matter:

To ask the Minister for Justice and Equality to outline the reasoning behind the renovation of Harristown House at Castlerea Prison and if so-called “lifers” are to be its sole occupants.

I have also received notice from Senator Lorraine Higgins of the following matter:

To ask the Minister for Transport, Tourism and Sport to intervene with the National Transport Authority to save bus route 418 which is being discontinued between Athenry and Galway via Derrydonnell and Oranmore, County Galway.

I have also received notice from Senator Kathryn Reilly of the following matter:

The need for the Minister for Children and Youth Affairs to discuss the impact of cuts to youth services provision, given the rising levels of child poverty in the State.

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

Senator Maurice Cummins: The Order of Business is No. 1, address to Seanad Éireann by Ms Emer Costello, MEP, to be taken on the conclusion of the Order of Business in accor-

dance with arrangements set out in the motion passed by the House on 27 February 2013.

Senator Paschal Mooney: Last week, I raised the issue of the business of the House. At that time, the Leader assured us that administrative and technical issues relating to the passage of legislation through the Dáil had resulted in the lack of legislation going through this House, particularly on Thursdays. We are now faced, yet again, with a Thursday which is somewhat light in this respect. I do not want to blame the Leader personally in this regard because we all know from experience the difficulty in getting Departments to pass on legislation here. However, I do not believe it is in the best interests of this House that we should be sitting on a Thursday morning and that we have only got a visit, distinguished as it may be. I would be grateful if the Leader could outline what his plans are and what efforts he is making to ensure that we have a much more robust legislative model in this House on sitting days.

It would be churlish of me not to acknowledge that there has been, at long last, a glimmer of hope on the jobs front. The most recent figures announced in the last 24 hours indicate that the rate of unemployment is slowing but, more importantly, that the rate of employment has increased. An extra 1,200 have been added to the workforce. It would be opportune if the Leader were to arrange for the Minister for Jobs, Enterprise and Innovation, Deputy Bruton, to attend the House to flesh out much of what was announced in the most recent jobs plan. I think this is the fifth variant of the jobs plan.

I am focusing in particular on the proposal that 2,000 graduates would find work in that context. The evidence suggests that the vast majority of those out of work are unskilled. The Government has introduced a variety of different measures to bring people back into further education and retraining. However, the evidence is that many multinationals are not employing graduates from our third-level colleges; they are looking for experience. In the last day or two, there have been public pronouncements to the effect that there are plenty of jobs available in the IT and high-technology sectors but that applicants need to have three, four or five years' experience. I do not believe this jobs plan will address the real issue of new graduates whose education has been financed by the State yet who must emigrate because they cannot get jobs.

I also wish to raise the issue of hydraulic fracturing. A group called Love Leitrim, which is an umbrella group of anti-fracking community organisations, is due to attend Leinster House today. They are totally opposed to the whole concept of hydraulic fracturing or fracking as it is called, which is the extraction of shale gas by a method using chemicals and water under high pressure. I ask the Leader to arrange for the relevant line Minister, Deputy Rabbitte, to attend the House for a debate on fracking. I am not critical of what the Minister is doing; I believe he is doing the right thing. He has asked the Environmental Protection Agency to engage in an exhaustive study of the environmental impact and other aspects of fracking, particularly in my own part of the country and in County Clare. The Minister, Deputy Rabbitte, should attend this House to reassure us that he will not give exploration licences to those who have applied for them. Today is the closing date for such applications, which is the relevance of the group coming up from Leitrim today. The Minister should outline the Government's proposals on fracking. He should also reiterate that he will not take any action in this regard, or provide any licences, unless or until there is conclusive proof that there will be no adverse environmental impact on the land proposed to be explored. In that context, it would be timely if the Minister were to attend the House so he could also provide a wider view of Government energy policy.

Senator Ivana Bacik: I also welcome the rise in employment figures that were announced yesterday. They are reported on the front page of *The Irish Times* today. This provides a hope-

ful sign that the numbers at work have risen over the last six months. This marks the first time since the start of the recession that we have seen jobs growth over two consecutive quarters. It is welcome to see such jobs growth being specifically recorded in particular sectors. It is right to acknowledge that good news and I thank Senator Mooney for acknowledging it also. It is an important sign of recovery.

I also welcome the clarity provided by the Government yesterday that the €10 million allocated for the mobility allowance and mobilised transport grant scheme would be ring-fenced for a new scheme that would be legally compliant. The Government is committed to devising that new scheme over the next four months which is welcome news.

Earlier this week, I sought a debate on Syria. Last night, the UN humanitarian aid co-ordinator said the whole of northern Syria is now a no-go zone for humanitarian aid. The crisis is deepening for civilians in the area, which is largely opposition-controlled but is subject to horrendous attacks by government forces also. We should have a debate on that in early course to see how best Ireland can seek to intervene, particularly through the EU to try to support a peace process there. That is clearly the only way to resolve the humanitarian crisis, since the UN and other agencies simply cannot get in there.

I welcome the fact that we will have Emer Costello, MEP, with us this morning. I look forward to her speech. Among the issues we will address with her is the outcome of the election in Italy, which will clearly have repercussions for European economies generally and ours in particular.

Senator Sean D. Barrett: The importance of the Seanad in scrutinising and initiating legislation has been shown vividly in recent times. The personal insolvency legislation was amended 181 times on Committee Stage and 155 times on Report Stage in this House, as the Minister, Deputy Shatter, engaged with Members. Yesterday, we reached 64 amendments on the Taxi Regulation Bill. It was remarkable that on a number of occasions the Minister of State did not move his own amendments because he was listening to what the House was saying. That is important for the role of the second Chamber. We also have Senator Colm Burke's important work on uninsured doctors practising medicine, and Senator Crown's work on the danger to children of adults smoking in cars. We need to initiate legislation as well as scrutinising Government legislation.

Two senior civil servants recently wrote that "Officials should be encouraged to act as effective devil's advocates and this role should be positively reflected in the performance reviews". That does not tend to happen, however. The importance of a second Chamber, to have this scrutiny where the Government has a very large Dáil majority, has been illustrated.

There is one area for improvement and I ask the Leader to take it up with the Minister of State, Deputy Paul Kehoe, who brings the legislative programme to the House. We need a higher standard of regulatory impact assessments. Sometimes, they do not appear at all, while sometimes they are posted on Department websites but are not furnished to Members. When they are put on the websites, many of them are inadequate. Perhaps, therefore, the Leader could ask the Minister of State to attend the House to say what he requires for regulatory impact assessments to assist us in that vital role of the second House.

In the *Irish Independent* today, Professor Anton Murphy states that proper screening of credit requires educated and well-informed bankers who know the broad potential of different

areas of the economy. As we have seen, many had very limited mindsets. I ask the Leader to arrange for the need to improve the standard of auditing and accounting as we try to get the economy back to the job creation era, which Senators Bacik and Mooney have just mentioned. We need to reform banking. There seem to be banking people who did about ten minutes work and then played golf with builders all day. They did serious damage to this country. I ask the Leader to arrange for the Minister for Finance to attend the House to say what he thinks banks should do, bearing in mind the entirely credible criticisms of bankers and their education by Professor Murphy.

Senator Fidelma Healy Eames: Last Thursday, we had an excellent public consultation session here on social enterprise. I compliment the Seanad on bringing a raft of new people to the Chamber - One Foundation, Social Entrepreneurs Ireland and Ashoka Ireland. They are change makers by nature. It is phenomenal that 28 Senators were present for the entire three-hour session. The organisations suggested wonderful solutions for the social good. Their ideas are proven. CoderDojo was represented by a young man of 20 years of age. Senator Mullins asked him about how he made a living. Many of the people in question rely completely on social enterprise funding. Their ideas will change society forever if they are supported.

Senator Mooney called on the Minister for Jobs, Enterprise and Innovation, Deputy Bruton, to attend the House. The Minister should debate with us the benefits of supporting social enterprise and seeing it as mainstream enterprise. It is for the social good and the population gains. We could ask the Minister to introduce legislation on crowd funding so that we might have a reliable means of funding projects.

The increase in the number of people returning to work is good news. Momentum Skills runs a 16-week placement programme along the lines referred to by Senator Mooney, involving four weeks of training and 12 weeks of work placement in the medical secretarial field, business process improvement, warehousing and logistics, etc. People need to be up to date in these fields if they are to have a competitive edge.

Senator Paschal Mooney: Those people are simply not being employed.

Senator Fidelma Healy Eames: I compliment the Minister for Finance, Deputy Noonan, on brokering a cap on bankers' bonuses across Ireland and the rest of the EU. Let us give him a big bualadh bos. It is time to do so.

Senator Thomas Byrne: They were already illegal in Ireland. We banned them.

Senator Fidelma Healy Eames: Yes, but we led on the issue.

Senator Thomas Byrne: The Minister is following the last Government's lead.

Senator Terry Leyden: A Fianna Fáil councillor, Mr. Paschal Fitzmaurice, has brought to my attention the situation of Harristown House in Castlerea, which is being used as a detention-----

An Cathaoirleach: Senator Kelly will discuss this matter on the Adjournment. I am sure that he will share time with Senator Leyden.

Senator Terry Leyden: It is an interesting situation, as it appears the Minister is not informing the local Senator. The people of Castlerea have not been consulted. They are concerned-----

An Cathaoirleach: This matter will be raised on the Adjournment.

Senator Terry Leyden: Can I bet the Cathaoirleach €5 that the Minister will not attend this evening?

Senator David Norris: That is not very generous. Why not make it €1,000?

Senator Terry Leyden: No, it will be €5.

Senator David Norris: Is the Senator not sure of himself?

An Cathaoirleach: A Minister will attend.

Senator Terry Leyden: I am referring to the Minister for Justice and Equality.

An Cathaoirleach: He is responsible, but a Minister will attend.

Senator Terry Leyden: He will not attend the House. He would not attend last-----

An Cathaoirleach: If Senator Leyden needs time, I am sure that Senator Kelly will share some of his.

Senator Terry Leyden: Maybe he will, but I am not sure.

An Cathaoirleach: Does Senator Leyden wish to raise another issue?

Senator David Norris: Senator Kelly's debate will not-----

Senator Terry Leyden: The people of Castlerea-----

An Cathaoirleach: The Senator must be fair to Members who have gone to the bother of tabling matters on the Adjournment.

Senator Terry Leyden: My point is that Government Members should be consulted by Ministers. That is how Fianna Fáil did it. We had direct contact with Ministers.

Senator David Norris: We hope they will not do it the way Fianna Fáil did it.

Senator Terry Leyden: We did not need to hear news second hand. Councillor Fitzmaurice is leading the issue in Castlerea. He is well informed and knows what is occurring. He has organised a public meeting tonight in Tully's Hotel in Castlerea.

Senator Maurice Cummins: Senator Leyden is still going through the motions.

Senator Terry Leyden: I hope that as many people as possible can attend.

Senator David Norris: We will all be there.

Senator John Kelly: I thank Senator Leyden for pre-empting my Adjournment debate. His comments had some merit in terms of-----

An Cathaoirleach: This matter will be discussed on the Adjournment.

Senator John Kelly: -----Private Member's business and Adjournment debates and the attendance of the relevant Minister at same. Fianna Fáil's Private Member's motion yesterday

had been well flagged. Either the relevant Minister should have been present or he should have selected another time that suited him. He should have taken the debate.

The same applies in the case of Adjournment debates. One could raise a serious health matter, yet the Minister of State with responsibility for small business might take it, reading out a script that was prepared for him and with no idea about what it contained. I would prefer it if the relevant Minister told the Senator in question that he or she could take the debate in three or four days time.

What has happened is not good enough. Perhaps it is the House's lifelong practice, but we should consider how we do our business. I call on the Leader to do so.

Senator David Norris: Yesterday, a Member stated as a fact that the offices of Youth Defence had been attacked by what he called pro-abortion lobbyists. I wish to inform the House that there is no substance whatsoever in that statement. I took the trouble to contact the police when I heard of the attack. When I spoke to the inspector in charge at the Bridewell, he informed me that there had been an unpleasant attack, in that animal manure had been smeared on the door and that posters of some kind had been placed. When I asked him whether the Garda had suspects, he replied that it had no idea whatsoever. It was quite wrong to try to use that attack for political or ideological advantage. It may well be that ill-advised people carried out this obnoxious attack, and I condemn it, but until we find out who did it, it is unwise and irresponsible of Senators to make accusations simply because they do not agree with people who are not pro-abortion, but pro-choice. Those ill-advised people are most certainly not pro-life.

I congratulate Senator Barrett on his comments. He was quite right. We should sing our praises a bit more in Seanad Éireann. Senator Healy Eames made a good point about the consultations. Often, the public does not know how valuable the Seanad is. For example, Senator Barrett and others stayed in the Chamber for a long time to discuss amendments to the Taxi Regulation Bill 2012 and appeared to reach agreement. We have changed legislation, as we always do. This is our function, but it is not recognised and is never reported in the press. The only matter that is ever reported, be it on television or radio or in the print media, is the Order of Business, which is why so many people grandstand at that time, including myself.

Senator Maurice Cummins: Senator Norris got in there before me.

Senator David Norris: Something wonderful that I have never witnessed in my 25 years in Seanad Éireann has happened, in that Members from the Government side, which is unusual, from Fianna Fáil, from all of the parties and individuals have presented legislation this session. The Government should co-operate with the House more. During the debate on the important legislation produced by Senator Burke, a Government Member, concerning the insurance of the medical profession, it was perfectly clear that the Government could have accepted and amended the Bill. I made this point clearly during the discussion. The Minister in charge of the matter was present, but he did not do it. Many people discussed the issue during the following days and wondered why the Government did not accept Bills that could be amended. I have been present for one Bill that saw more than 200 Government amendments. If the Government can amend its Bills, why can we not be provided with the same facility?

I am doing what I can. We held a good and important debate on fluoride, a matter of national interest, irrespective of one's position. The debate was ignored by everyone. I noticed that an article on the subject in *Hot Press* neglected the Seanad completely. I wrote a fairly mild letter

that I am glad to tell the House was the magazine's letter of the month, although I will not take any great pride in that. The editor wrote a note in which he agreed that the Seanad had not been given the credit and that the attempts to abolish it were a mistake.

Senator Terry Leyden: We are voices crying in the wilderness.

Senator David Norris: It is a comfortable wilderness.

Senator Michael Comiskey: I join colleagues in welcoming the good news on the jobs front. More can and will be done as we enter spring. This will be a better year on the jobs front. In recent years, a number of local authority staff have retired and not been replaced. This is an opportunity for schemes similar to those run previously, for example, FÁS-type schemes. As my colleague, Senator Mooney, mentioned, most of the people in question are unskilled. It would be a great opportunity for councils to take on more staff through a scheme like that. Work needs to be done and there is much of it out there.

We have all been contacted by Love Leitrim, a group coming to Dublin today which is concerned about fracking. I assure the group and everybody else, as I have been assured, that no fracking will take place until the Environmental Protection Agency report is published and the practice is found to be safe. Nobody wants to see damage done and I assure everybody that fracking will not happen until it is found to be absolutely safe; if it is not safe, it will not be used.

Senator David Cullinane: I agree with Senator Mooney, who referred to the business of the House today. I am sure the Leader agrees that many calls have been made by Senators on all sides of the House for very important debates on a range of issues, including the jobs crisis, youth unemployment, poverty and, in more recent days, the mobility grant that was abolished. We have called for the appropriate Minister to come here to discuss a replacement scheme. It is important that this House gets the co-operation of Ministers, who should participate in debates. I am concerned that over the past number of weeks, the agenda of the House has been quite light, despite the fact that many calls have been made by Senators on all sides for Ministers to come to the Seanad to discuss important issues.

If the Minister of State with responsibility for the mobility grant is considering a new scheme, she should come to the House to discuss the matter with Members, who have been lobbied very strongly by people directly affected by the grant's abolition or those who would have been waiting for their applications to be processed. We should have an opportunity to feed into the process and I hope the appropriate Minister will come to the House. It is an important issue and I hope that whatever scheme replaces the mobility grant will be fair, broad and equitable. It must ensure that people with disabilities and mobility problems who need support in transport should get it. If there is a cost to the State, meaning we must raise taxes on higher earners, it should be done. That is what society is about and what our Government should do. It must vindicate the rights of citizens, especially people with disabilities. There have been calls over a number of days for the Minister of State, Deputy Kathleen Lynch, to come to the House in the next number of weeks in order to discuss the important issue of supports for people with disabilities and mobility problems.

Senator Aideen Hayden: Of all the Ministers and Ministers of State, Deputy Kathleen Lynch, has been one who is willing to come here at the drop of a hat. She should be given due credit for that.

Senator Ivana Bacik: Hear, hear.

Senator Aideen Hayden: I have no doubt that she will be more than happy to come here to discuss the mobility allowance. The deal on banker bonuses has been mentioned by a number of Senators and I also congratulate this European Presidency on the progress made in the over-all banking agenda. It is nevertheless important to remember that we are talking about limiting bank bonuses to one year of salary or, in some cases, two years of salary. It is hardly a case of bringing the rate to 10% or 15%, which many people might get as a Christmas bonus or a few bob as a means of saying “well done”. We must put the issue in perspective.

It is amazing that we are discussing the bonuses of people who were incentivised to go out and destroy the banking system of the European Union, selling bogus products to people who trusted them. There are a number of issues that we, as a House, should be discussing with regard to the banking sector. I again ask the Leader to bring in the Minister for Finance, Deputy Noonan, specifically to discuss banking. We should also discuss the mortgage arrears crisis and recent statistics from the Credit Review Office indicating that Irish people are not able to access credit and are not in a position to complain, as they are in many cases limited to two or three banks; if they live in a rural area, they may be limited to one bank. We must have a serious debate in the House about the banking sector and the only person with whom to have the debate is the Minister with responsibility, Deputy Michael Noonan.

Senator Mary Ann O’Brien: On numerous occasions, including on the Order of Business or during debates with Ministers with responsibility for public sector reform, I have raised my concerns and fears about the slow pace of reform of practices within the sector. One debate springs to mind with the Minister of State, Deputy Brian Hayes, on the subject of the Croke Park agreement. We discussed differing views on whether it is possible to micro-manage an organisation as large as the public sector. Independent observers tell me that on the day, it was a score draw, but I am magnanimous, so I will give it to the Minister of State, although only by a whisker.

Being serious again, I often compare the pace of reform to what has happened in all forms of the private sector as it swiftly adjusted to the new economic backdrop in which it found itself working. I felt passionately for some months that the Government needed to take a much tougher approach with many of the public service unions, as ultimately it is - by the people’s choosing - to manage the State’s public finances and services.

The recent Labour Relations Commission negotiations, which concluded earlier this week, have brought about long overdue and much-needed reforms. I appreciate that these are still only proposals and have not been endorsed by public sector workers but the Government should be loosely congratulated for making serious strides to save €1 billion from the public service pay bill. This morning, I call on public service workers to consider the country’s financial position - we are broke - before deciding to accept or reject these proposals. It is worth noting that Ireland still has a large deficit between revenue collected and public expenditures, and when I last checked, it was still the highest in the eurozone.

However, it is not all applause for the Government this morning, and I am sure all Senators have reservations, as I do, about increment freezes or delayed payments being applied to relatively low-paid public servants. I would have liked to have seen the thresholds for the freeze being placed higher than what is proposed. In the coming months, there may be a need to revisit the issue and I look forward to engaging with the Government when these matters come before us in the Seanad.

I regret the Government's decision yesterday to remove the mobility allowance and I second Senator Cullinane in a sincere hope that the Government has a clear strategy to take care of these people in future. The Government seems to be making an unfortunate habit of targeting the most vulnerable in our society. We were in here before Christmas discussing the respite grant, and the Seanad almost voted for a change in that respect.

Senator Hayden mentioned banks and I agree with her comments regarding the size of bonuses. Will the Minister for Finance come here to discuss, as we do in the private sector, setting the key performance indicators for banks that should be in the public interest? These must work in the interest of the Irish citizens and taxpayers, and if the bank performs in our interest, it could then award bonuses. It should not lie alone with profitability for shareholders. We are the shareholders.

Senator Thomas Byrne: Banker bonuses in this country were effectively outlawed with the IMF agreement, with a 90% tax introduced with one of the last legislative acts of a former Minister, the late Mr. Brian Lenihan.

I call for a debate on the state of rural roads in Ireland. I was at a meeting last night in Kells, County Meath, where hundreds of people attended to express considerable anger about how the roads in north Meath, in particular, have collapsed. This is especially evident with third class roads but it is also worryingly evident with regional roads, which are the main routes through the county. The same problem can be seen in areas around Navan and east Meath. There is much anger. In an interview with *The Irish Times* last December or November, the Minister for Transport, Tourism and Sport, Deputy Varadkar, indicated that he had cut €400 million from the road budget and nobody had noticed. It is fair to say that the people in north Meath have noticed their roads deteriorating.

We are constantly told about the IMF and how we are tied down in what we can spend by the agreement. The Government is spending less on capital spending than was projected in the agreement, which is a shame. Jobs are being reduced and roads around the country, particularly in north, east and central Meath, are collapsing. People are really upset and financially out of pocket, as in a number of cases people had to replace cars because of the problem. They may be driving up a lane with a 24 inch pothole full of water. Perhaps the pothole has just appeared or perhaps it cannot be seen because of the darkness or the water. A debate on capital spending is needed because the Government has reduced the allocation below what was agreed in the agreement with the troika. The Government has other priorities but, in the meantime, roads will collapse. The Minister for Transport, Tourism and Sport must be informed that the people have noticed his cutbacks to the roads budget.

Senator Michael Mullins: Like my colleagues, I welcome the good news on the jobs front in recent days. I hope these are positive green shoots that will grow significantly during the coming year. The number of people at work is 1.85 million, which is an increase of 6,500 in recent months. It proves the Action Plan on Jobs is beginning to pay dividends. I would like the Minister for Jobs, Enterprise and Innovation to come to the House to discuss how we can accelerate the 333 actions in the plan. I agree with Senator Healy Eames that social entrepreneurship should be very much part of that discussion because there is significant potential in this area to increase job numbers. I am pleased that potentially 1,000 jobs could be created in my own county of Galway in the coming months following yesterday's news that a significant infrastructural project - the N17-N18 Gort to Tuam motorway - is likely to proceed. The Government has come up with the seed capital that will enable a public private partnership to be put

in place and the good news is the road will not be tolled. This could create 1,000 jobs during construction in an area that has been devastated by emigration. This is badly needed good news.

The other good news is the positive start to the The Gathering year. The tourism figures for the end of 2012 and the beginning of this year have increased by 4.4% across all sectors. That has the potential to create much-needed employment and I hope the measures in the Action Plan for Jobs to incentivise employers to take on employees will be availed of in the hospitality sector. We need to build on these positive indicators to ensure the green shoots grow significantly over the next year or two.

Senator Ned O’Sullivan: I join Senator Brennan, who raised the issue on yesterday’s Order of Business, in commending the leadership of the trade union movement for the manner in which they have engaged with the Government in recent days on the new pay deal, which is a difficult deal for everybody. The leadership, including Jack O’Connor and David Begg, are like us, as they have a constituency to nurture and service. They have shown great courage over the past number of years and when we finally emerge from the recession, the positive role played by the trade union movement will be recognised.

I join Senator Mullins in welcoming the good news on tourism, which is a great lift at a time such as this. The 4% increase in numbers during the winter months augurs well for The Gathering. Perhaps it was inspired by this event, despite all the naysayers. It will be a plus for us but the worry is that the increase was primarily be generated in the US, Australian and New Zealand markets whereas the UK market, which is critical to tourism in Kerry and all over the country, remains a big ask, although numbers increased marginally by 0.6%. However, all this is positive and I commend everyone involved, especially Mr. Niall Gibbons, the chief executive officer of Tourism Ireland, for the part they are playing.

On a number of occasions I have raised the issue of equine maltreatment. Apart from the horse meat scandal, I have raised many times the way in which horses are abused and mistreated around the country. Valerie Cox did an excellent report on “Today with Pat Kenny” last Tuesday morning. It is appalling that horses bought in the Smithfield market for as little as €20 are ridden into the ground on concrete pavements and made to jump insurmountable objects on housing estates and so on. They are eventually left on the side of the road. Wonderful work is done by the equine treatment centre in Mallow, County Cork, and by other centres. I acknowledge the hands of the Minister for Agriculture, Food and the Marine are full dealing with the horse meat issue but this is also an important issue. Anyone who loves animals does not want to see them in distress.

An Cathaoirleach: The Senator is galloping out of time.

Senator Ned O’Sullivan: I thank the Cathaoirleach. I have raised this issue previously and the Minister will have to seriously address it.

Senator Colm Burke: I have come from a conference entitled, Rare Disorders with Borders, which is dealing with the issue of rare diseases. Today is International Rare Disease Day. This is an important issue because of the lack of support for those with rare diseases. There may only be three or four people in the country who suffer from a particular rare disease and there is a need for more co-ordination between EU member states. One of the themes of the conference was co-ordination between Northern Ireland and the Republic on this issue. The cross-border health care directive came into being on 9 March 2011. The Government has 30

months in which to implement it but we now have less than six months to do so. When will the Minister for Health make a decision on the implementation of the directive, which will allow those who are not entitled to care in this State or who are subject to undue delay the right to travel to another member state for the necessary care? Will the Leader seek a response from the Minister on this important issue? It is also important in the context of the provision of care and support for families in which a member is affected by a rare disease. I seek a response from the Department on that matter.

Senator Labhrás Ó Murchú: I support the comments of Senators O'Sullivan and Mullins regarding the good news for the first two months of the year in the tourism sector arising, I presume, from the good work done by The Gathering. It augurs well for the rest of the year. The importance of the tourism industry is that the benefits are spread to almost every part of the island and they are not confined to centralised areas. Even people living in a townland can benefit from the spin off from tourism.

Everyone is pleased with President Obama's suggestion regarding a transatlantic trade and investment partnership. It makes sense that two large trading blocs such as the EU and US work together. It is important in this regard that Ireland enjoys a good status not only in Europe but also in the US and this will be evident on St. Patrick's Day when An Taoiseach will travel to the White House because this year he is also the President of Europe as he meets the President of the United States. We should not underestimate the importance of that because as we all wrack our brains on how to create employment, we do not always come up with substantial results but we have a good foundation in the tourism industry. If we remain competitive, we have something distinctive to us and, therefore, attractive.

I salute the young woman who went on television last night. She was exceptionally incapacitated but she appeared on the programme to make a case for those who will be deprived of even restricted mobility into the future. I have often found that people who are incapacitated inspire us most because we realise the courage required by them. Any spokesperson, political or otherwise, could not have done what that wonderful, courageous woman did last night. It makes the emotion rise within people. Emotion and policies do not always coalesce but this is one particular case that we should not take off the radar. It is vital, even if it is a matter of bringing forward the new plans. Why does it have to take two, three or four months? We need to do something urgently to give those people who are already challenged in life, and have responded so well, a morale boost, not in three or four months time but in the coming weeks.

Senator Maurice Cummins: Senator Paschal Mooney, the acting Leader of the Opposition, raised the issue of the ordering of business. As I stated last week, we have had two to three pieces of legislation each week since January and we have some this week. If Members wish, I can, if there are situations such as today where we have only piece of business on a Thursday, confine our business to two days a week rather than three. Looking at next week's business, we have three pieces of legislation, the Electoral (Amendment) (Dáil Constituencies) Dáil Bill 2012, the Finance (Local Property Tax) (Amendment) Bill 2013 and the Education and Training Boards Bill 2012. I understand Private Members' business will be another piece of legislation, therefore four pieces of legislation have been listed.

I stated at the beginning of the year that we have the Presidency of the European Union for six months and, as such, it is more difficult to have Ministers come to the House as they have other business in the European Union, for which we laud them. We have witnessed the benefits already in regard to banking and other areas in recent months. I ask Members to bear with us.

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It is clear from the agenda for recent weeks that we have had most of the senior Ministers in the House dealing with some item or another. What Senator Mooney stated last week and has returned to this week has been exaggerated. Certainly, if we have only one item of business on a Thursday, I will consider condensing that into a Tuesday or Wednesday in future, if that is the wish of the House.

Senator Mooney and many other Members welcomed the improvement in job statistics for the first few months of the year. We all welcome that. It will be the sign that the economy is picking up when we see more people in employment. The Government accepts that it is only a beginning and there is a long way to go. Let us hope there will be further improvement as the year progresses.

Senator Michael Comiskey raised the issue of fracking. I understand that nothing will be decided until the EPA report is published. The Minister for Communications, Energy and Natural Resources, Deputy Pat Rabbitte, came before the House to speak on that subject last year. I understand the Minister of State, Fergus O'Dowd, is now dealing with the issue. When the EPA report is published, or even before that, we might have another debate on the matter.

Senator Ivana Bacik welcomed the job figures. In regard to the mobility allowance, which has been raised, I gave a fairly comprehensive reply yesterday on that matter. I wish to indicate again that the €10.6 million in funding has been ring-fenced for these allowances. The Senator also called for a debate on Syria. I will try to have one of the Ministers from the Department of Foreign Affairs and Trade come to the House and debate the issue.

Senator Sean D. Barrett raised the issue of the role of the House in scrutinising legislation. I think we have done a very good job in that regard and better, I suggest, than the other House, but I would say that in many instances. As Senator David Norris said, it is something we have to live with. We are not getting the credit - not that we want it - but we are doing our jobs, for which we are being paid well. We are doing our jobs quite well in scrutinising legislation and bringing other matters of interest to the House, often before they are brought to the attention of the other House. That is a matter for another day. If we continue to act as we are doing in this House, when the people are deciding on whether the Seanad should continue we can give them good reason for retaining it, but that is a matter for another day.

Senator Fidelma Healy Eames called for a debate on the benefits of supporting social enterprise and legislation on crowd-funding and complimented last week's public consultation committee. It was enlightening to have that debate last week. A number of members have commented positively on the debate and said the presentations were wonderful. Some 28 members were present, but on and off there were very few, and Senators were in and out during that debate. That is welcome. I will find out from the Minister when legislation will be introduced on **crowd-funding**.

We will allow Senator Terry Leyden and Senator John Kelly to fight out the situation in regard to Harristown House.

Senator Terry Leyden: The word "fight" may be inappropriate.

Senator Maurice Cummins: They can debate that-----

Senator Paschal Mooney: Shared experience.

Senator Maurice Cummins: They can share information on that this evening.

Senator Terry Leyden: We might end up in Harristown.

Senator Maurice Cummins: Senator John Kelly also raised the issue of Adjournment matters and having Ministers come before the House. Perhaps we can raise that matter at the Committee on Procedure and Privileges but at least we get a response to Adjournment matters that Members can take back to their constituents or whoever raised the matter with them.

Senator David Norris clarified the situation in regard to the vandalism of a property which all Members condemned yesterday. I am sure the Senator, like all of us, would hope the Garda will bring the perpetrators to justice as we would at all times.

As Senator Aideen Hayden has mentioned, the Minister of State at the Department of Health, Deputy Kathleen Lynch, has been in the House more often than any other Minister. She is always welcome to the House and I am sure she will come soon again to debate the mobility allowance. A committee has been set up to report back within three months on the issue. The Senator also called for a debate on banking. We had a specific debate on 3 July 2012 with the Minister for Finance, Deputy Michael Noonan, on banking, the economy and mortgage arrears, but we can ask him to come again for a debate on the same subjects fairly soon.

Senator Mary Ann O'Brien raised the LRC proposals which we discussed yesterday. There is a need to give the unions time and space to make their decision. I note her point on the mobility allowance which we discussed yesterday.

Senator Thomas Byrne raised the question of rural roads which was raised by his colleague, Senator Paschal Mooney, yesterday. I agree there is a need for more funding for the repair of regional and country roads. They are deteriorating. I can see it in my constituency and throughout the country.

Senator Michael Mullins welcomed the fact that the Gort-Tuam road, the N17 and N18, is about to get permission to go ahead and that it will provide 1,000 construction jobs. That is welcome. I note his points and those of Senator Ned O'Sullivan and Senator Labhrás Ó Murchú in respect of tourism, the numbers for which have increased in the first few months of the year. That is another good news story. Tourism is important for jobs and communities throughout the length and breadth of the country. Let us hope in this year of The Gathering that there will be improved figures where tourism is concerned.

I note also Senator O'Sullivan's point in regard to equine maltreatment. I understand the Minister for Agriculture, Food and the Marine is appearing before the Joint Committee on Agriculture, Food and the Marine this morning to deal with that specific subject. I share the Senator's concerns in that regard.

Senator Colm Burke raised the issue of rare diseases and called for cross-Border health co-operation and asked the position especially on rare diseases. We will try to get that information from the Minister.

Senator Labhrás Ó Murchú asked about tourism and the transatlantic trade development. I can assure him the Taoiseach will be selling the Irish tourism product when in the United States for his meeting with President Obama on St. Patrick's Day.

Senator Sean D. Barrett: I referred to the issue of regulatory impact assessments on legis-

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lation before it reaches the House. Could the Leader attend to that issue?

Senator Maurice Cummins: We will try and deal with that issue as well.

Order of Business agreed to.

Sitting suspended at 11.30 a.m. and resumed at 11.45 a.m.

Address to Seanad Éireann by Ms Emer Costello, MEP

An Cathaoirleach: I welcome Ms Emer Costello, MEP. Unlike some of her colleagues in the European Parliament, this is her first time in the Chamber. I wish her well in her role.

Ms Emer Costello, MEP: I thank Members of Seanad Éireann for the invitation to address them. I am delighted to have an opportunity to outline the nature of my work and discuss European issues of national importance with the Seanad. As Senators are aware, I have been a Member of the European Parliament since February 2012 when Proinsias De Rossa retired. Since entering the Parliament, I have become a member of the Committee on Employment and Social Affairs, chairperson of the delegation to the Palestinian Legislative Council and substitute member of the crime and money laundering and development committees. While my focus will be on my work on the Employment and Social Affairs Committee, I would be pleased to speak about aspects of my other roles, particularly as the chairperson of the delegation to Palestine. For this reason, if Senators have questions on these matters, I will be glad to answer them either today or on another visit to the Seanad or committee of the House.

The founding values of the European Union are still very much in evidence in the current treaties. Article 2 of the Treaty on European Union emphasises respect for human dignity and solidarity as core values of the Union. Article 3 states: “The Union’s aim is to promote peace, its values and the well-being of its people.” Article 3 commits the Union to work for social progress, fight for social justice and protect the rights of the child. Article 9 of the much maligned Lisbon treaty sets out one of the most important elements of the European treaties, the social clause, which requires the European Union to take the promotion of high levels of employment, adequate social protection and the fight against social exclusion into account in all of its policies.

The founding principles and values of the European Community are also enunciated in the Europe 2020 strategy agreed in June 2010. Under this strategy, member state Governments agreed five headline targets for 2020. They include achieving a 75% employment rate, reducing the school drop-out rate to below 10% and reducing the number of people at risk of poverty by at least 20 million.

As Senators are aware, the economic crisis is clearly affecting Europe’s ability to achieve these targets and exacerbating poverty and social exclusion. At the start of the crisis, unemployment rose and the number of jobless households increased. At the same time, the risk of poverty and material deprivation began to rise, reversing the previous trend towards a reduction in the number of people at risk of poverty and social exclusion. By 2011, almost one quarter of

the total population of the European Union or 120 million people, including 25 million children, were at risk, an increase of 6 million in two years. More than 40 million people in the European Union suffer from what is known as severe material deprivation. This is the inability to pay housing or utility bills or keep one's home warm. Further, one in ten of those aged under 60 years lives in a household with low work intensity.

What all of these statistics indicate is that all member states are essentially grappling with the same problems. However, some member states are doing better than others, as noted by Commission President, Mr. José Manuel Barroso, in the European Parliament last September when he stated: "It is precisely those European countries with the most effective social protection systems and with the most developed social partnerships that are among the most successful and competitive economies in the world." If this is the case, as I believe it is, there is a correlation between well-designed social expenditure and economic competitiveness. For this reason, Europe must take into account longer-term challenges such as demographic change and view sound social spending not as compensation but as a positive investment in the future, one which will create prosperity and is on a par with education, training, accident prevention and health promotion.

This is the core idea behind the social investment package launched by Commissioner László Andor last week. The package, which I hope will spark a major debate about the future direction of Europe, emphasises the importance of pursuing a social investment approach. The Commission, like the Labour Party's political group in the European Parliament, the Socialists and Democrats, believes Europe needs to shift its focus towards investing in people. This belief is the reason I very much support the current proposal that 25% of Cohesion Funds in the Multi-annual Financial Framework 2014 to 2020 would be allocated to the European Social Fund, ESF, and that 20% of member states' ESF spending would be focused on social inclusion and combating poverty.

In practical terms, social investment means focusing on policies that help prepare people for life's challenges, rather than waiting to repair the consequences of failing to meet these challenges. Social investment is essential as it helps to prevent much higher bills having to be paid in future. I propose to concentrate on two current European social investment priorities that I am pursuing in the European Parliament. The first is the implementation of a youth guarantee to help address youth unemployment. I hope to hear good news on this priority this morning from EPSCO, the Employment, Social Policy, Health and Consumer Affairs Council. The second is the fund for European aid for the most deprived which will replace the current European food aid programme and reaches out to those on the margins of society.

I will first address the issue of youth unemployment. One of the key social investment approaches I have been advocating since taking my seat in the European Parliament is the concept of a European youth guarantee. This is the issue I have raised most often in the Parliament since becoming an MEP. Yesterday, the Central Statistics Office published figures which indicate that Ireland is, at last, beginning to turn the tide on unemployment. The figures appear to bear out the European Commission's recent economic forecasts which estimated that after five years of a collapsing labour force, total employment in Ireland will grow this year, albeit by only 0.9%, following last year's growth of only 0.1%. I hope this is an indication that the tide is turning. While it is good news, much more needs to be done.

12 o'clock Europe is in the midst of an unemployment crisis. The most recent EUROSTAT figures record EU unemployment at the unprecedented high of 11.7% or 26 million people.

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Europe's youth unemployment rate in December 2012 was 23.4% or 5.7 million people, an increase of more than 50% since 2008. Ireland's youth unemployment rate is 27.7%, which is a three-fold increase since 2008 when it was 9%. We know that these figures are tempered by the approximately 3,000 young people who leave our shores each month.

Youth unemployment risks a scarring of a generation of young people. Research indicates that periods spent unemployed at the commencement of one's working life can have negative affects later in life in terms of career prospects, salaries, pensions and health. Youth unemployment limits the lives of young people. It prevents them from making their contribution to society and leads to disengagement, alienation and, often, crime. No society can be vibrant and competitive if almost 30% of its young workforce is unemployed.

Youth unemployment also costs in financial terms. The Commission estimates the annual cost of young people not being in employment, education or training is 1.2% of GDP or €150 billion. The best way to ensure young people find work is to get the economy growing again. For this reason the €120 billion Compact for Growth and Jobs agreed last June by the European Council must be implemented in full. The January decision of the European Investment Bank governing board to increase the bank's capital by €10 billion must be translated into a concrete pan-European investment programme in infrastructure and people. Last week, I raised at European Parliament the need to ensure much of this funding is made available to SMEs. The increase in funding for the EIB would result in an additional €60 billion being available for lending and could leverage an additional €180 billion for investment projects between 2013 and 2015. We need to be able to draw on that. We need also to ensure that multi-annual financial framework, MFF, currently being debated in the European Parliament and negotiated with the European Council provides the resources and flexibility necessary to achieve EU aims, particularly those set down in the Europe 2020 strategy, and is focused on growth-enhancing future priorities rather than the past.

There is no doubt that a youth guarantee is one of the best ways to help tackle the scourge of youth unemployment. The youth guarantee approach involves public authorities, employment services and relevant stakeholders, working together to ensure that every unemployed young person receives a quality job offer, apprenticeship or traineeship within four months of becoming unemployed or leaving formal education. Its core principle is to identify and address the needs of each young person rather than simply slot them into existing service provision. The focus is very much on the client's needs rather than what the service-provider does. The youth guarantee approach has been tried and tested. It is working in Austria, which has a youth unemployment rate of 8.5%, and in Denmark, Sweden, Germany and Finland. It is a policy initiative for which the Labour Party and its sister parties across Europe have been campaigning for some time.

On 5 December, the Commission presented a proposal for a recommendation to the Council for a youth guarantee. The main aims of this proposal are to mobilise member states to reduce youth unemployment; suggest a model to follow when setting up youth guarantee projects and establish peer review schemes to assess the effectiveness of adopted projects. I welcome that adoption of this proposal is one of the main priorities of Ireland's EU Presidency and that this will be adopted at today's Employment, Social Policy, Health and Consumer Affairs Council, EPSCO, meeting which is being chaired by Minister for Social Protection, Deputy Joan Burton. We await what we hope will be good news from the EPSCO on that matter.

We must now ensure that the youth guarantee approach is supported with European re-

sources. The €6 billion allocated to youth employment in the EU budget on 8 February is a start and a step in the right direction. However, further intervention will be required to ensure the issue is tackled. The European Parliament will monitor developments in this regard. I welcome that the Government has applied for EU funding to support youth guarantee pilot projects in Ireland. It is hoped some of these will take effect prior to the youth guarantee coming into force. I believe the youth guarantee can play a role in reducing Ireland's youth unemployment rates and can assist us in achieving the EU 2020 target of an employment rate of 75%, which target is worth striving for.

I would now like to address the proposed replacement for the existing EU Food Aid Programme, namely, the Fund for European Aid for the Most Deprive, FEAD, in respect of which I am honoured to have been appointed EU rapporteur. Some Members may be familiar with the MDP, most deprived person's, programme which provides food for those living on the margins and in need. We have all seen the recent reports on child poverty and poverty and the alarming statistics in that regard. One of the main features of material deprivation is an inability to access appropriate quantities of food. Earlier, I mentioned the statistics in relation to poverty. There are 43 million people across Europe who are living in poverty. This means they are unable to afford a meal with meat, chicken or fish, or vegetarian equivalent, at least once every two days.

Under the Most Deprived Persons programme member states have since 1987 been able to release intervention stocks and surplus food for distribution as food aid. Some 20 member states currently participate in the MDP, with approximately 19 million people benefiting annually. This is the only European programme that directly reaches out to people living on the margins of society. The MDP has become an important support for NGOs and charities working with people who are homeless and suffering severe material deprivation, including Crosscare and Brother Kevin Crowley and Ms Theresa Dolan of the Capuchin Day Centre to whom I gave an award when Lord Mayor. While the MDP has never sought to resolve food poverty in member states, organisations participating in the programme have emphasised that the predictability of this European support is crucial to their operations. The programme is funded from the budget of the Common Agricultural Policy, CAP. However, with the running down of intervention stocks the MDP became less sustainable and lost its core rationale. Some member states believed it also breached market rules. As such, it was agreed the MDP should be phased out. The European Parliament and many of the NGOs believed it was an important programme and it could not be terminated without first putting in place a replacement. They believed not doing so would send out a negative message, particularly at a time when there is a huge increase in the levels of poverty, as evidenced by the number of people availing of the services provided by Brother Kevin Crowley through the Capuchin Day Centre, Crosscare and so on.

Last October, the Commission responded to these calls by proposing a new fund entitled the Fund for European Aid for the Most Deprived, which is commonly referred to as the FEAD fund. This fund of €2.5 billion will enable EU member states, working in conjunction with NGOs and partner organisations, to provide food and other aids. It is estimated that there are 4 million homeless people across Europe. While we are aware that children are particularly at risk of poverty, young adults and people with a migrant background are increasingly featuring among the homeless. The purpose of the FEAD programme is to support schemes that address food deprivation and to, for the first time, support provision of every day items which homeless people and materially deprived children cannot access.

Crucially, from a social investment perspective, it would also support accompanying measures that aim to better engage with people suffering from food poverty, such as the homeless

and materially deprived children, by enabling them to reintegrate into society. The fund would also support a European platform to enable member states and participating partner organisations to learn from each other and exchange practices.

The Commission's proposal to establish the fund is just that, a proposal, and must be scrutinised and amended by the European Parliament and by the Council of Ministers before it comes in effect. My role as rapporteur is to steer the proposal through the European Parliament. I have produced a report and set out 63 amendments to the Commission's proposal and presented the proposal to the European Parliament. Many of the issues in the amendments to the Commission's proposal cover a range of issues including emphasising the partnership principle, clarifying definitions such as accompanying measures, seeking to protect the dignity of final beneficiaries and strengthening the links between the fund and other European actions such as in the field of public health and eliminating food waste. MEPs now have the chance to table amendments before a complex negotiation process with MEPs and the Council.

The fund is important and some €2.5 billion has been set aside for it. I welcome the fact that the efforts of the Cypriot Presidency to reduce the fund were not agreed by the Council. I welcome the fact the fund has survived the first phase of the multi-annual financial framework because some discussions suggested some countries were not in favour of the fund. It is important that it survived the multi-annual negotiations on 8 February. We must acknowledge that €2.5 billion is a contribution and we must be vigilant that it remains intact as the fund makes its way through the Council and the European Parliament.

I met the EU Committee of the Regions during the week and we discussed the fund. The new fund should not be seen as a substitute for the comprehensive policies needed to reduce and eventually eliminate poverty. This is the major challenge for us. I provided the House with figures on the levels of poverty and deprivation in the EU. We need to address that but the new fund reaches out to people at the margins and tries to bring them in.

It is important we send a strong signal and keep the fund. It should be a practical expression of the EU core values and principles and a tangible recognition that the Union is willing to play its part in confronting the challenges of poverty and social exclusion. The proposed FEAD programme and the youth guarantee approach are two practical expressions of the social investment approach being taken up at European level. I very much welcome and support this approach. We need a debate about social Europe and to embed this approach more securely in the EU's decision-making structures. Member states have rightly agreed new rules for the monitoring and co-ordination of economic and fiscal policies. We know fiscal consolidation, on its own, is not sufficient. Sustainable growth and jobs will only be achieved where there is an emphasis on growth, investment packages and investment policies.

Having addressed fiscal consolidation and tried to get our economy on track, the other part of the equation is to do the same for our social and employment policies. We must place the same emphasis on investing in people and education as we do on stabilising our public finances. In short, Europe needs a social pact, a so-called fourth pillar. If we have economic, monetary and political union, we need social union and we need it to be underpinned by an agreement and a social pact.

The Seanad may be interested in taking up the idea of a social pact for Europe, which I believe in quite passionately. Such a pact should set out a list of specific measures in the form of social investments to be taken up by member states, with the support of EU funding, par-

ticularly the European Social Fund, over a given timeframe in order to meet the employment, anti-poverty and education targets of the Europe 2020 strategy. This should be subject to a monitoring framework of common social indicators in the same way economic indicators are monitored. There is a window of opportunity to agree such a social pact. In December, the European summit finally recognised the importance of strengthening the social dimension of a genuine economic and monetary union. This aspect will be discussed again in the June negotiations on the future of EMU at the June Council. The June summit should aim to make concrete progress towards a binding social pact for the EU to ensure our budgetary objectives are reconciled with our social and employment objectives. Europe can achieve the Europe 2020 strategy only if we now put in place the measures but it is in all our interests to work towards it.

There are many other areas to my work and I have taken up a huge number of issues. As chair of the delegation to the Palestinian Legislative Council, important work is going on and if Members would like to discuss that with me now I would be happy to discuss the issues.

I feel honoured to be in this august Chamber. Not having been a Member of either of the Houses of the Oireachtas, it is a daunting experience to come here but I am delighted to have the opportunity to discuss issues and ideas and I look forward to the feedback of Members.

Senator Terry Leyden: I extend a very warm welcome to Emer Costello, MEP, on her first visit to the House. She comes with tremendous experience as an MEP for the past 18 months or more and as a very effective Lord Mayor of Dublin, where she carried out a very important role. It is a great learning experience for anyone to serve in that very important position and she certainly acquitted herself extremely well. I attended events she hosted when she was Lord Mayor. She was also a member of the Council of the Regions, which provides her with European knowledge.

I am delighted she is chairman of the delegation to the Palestinian Legislative Council. It is a very important role. As convener of the Friends of Palestine in the Oireachtas, which is an active group, the role of Ms Costello is welcome. I hope she has an opportunity to attend a Friends of Palestine in the Oireachtas meeting at a time convenient to her because it would be good for her to brief us on the present position in Gaza and in the West Bank. She can also brief us on Hamas and Fatah, talks between the organisations and the future elections in that region. It is a very sensitive area and hits the headlines regularly and dies for a while before another crisis erupts. It is in constant crisis.

I hope the new Israeli Government will be more responsive to the peace process than the previous one. The building of settlements in the West Bank is more than provocative. Northern Ireland and the Republic of Ireland provide an example. How would we envisage the building of further settlements in the South when we were in negotiations? It is unacceptable. People must go there to see it. Has Ms Costello been to the Gaza Strip and can she give an account of it?

I am particularly delighted that Ms Costello is involved in youth unemployment and trying to do something positive. I put this point to the Minister of State, Deputy Creighton, on Tuesday. I have been highlighting the issue for some time and I hope that Ms Costello will take a personal interest in it. The EU used to run a pilot project on a type of peace corps. Ireland could do likewise. Many skilled people are available to work abroad in an organised fashion. For example, the Niall Mellon Trust operates in South Africa and has done great work in building houses in settlement areas. I have visited the shanty towns in Nairobi. People were living

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in unbelievable conditions. Ireland has architects, engineers, plasterers, builders, electricians and plumbers. We have every skill possible. Instead of going to questionable governments that have abused our funding, why can some of the money from the Third World fund not be used during this crisis to form a European brigade to build quality houses in Third World countries?

From an economic point of view, we could build ready-made structures in Ireland and export them for erection in shanty towns. Entire areas could be developed into a new Ireland of quality buildings. I would like this work to be done under the leadership of the Army's corps of engineers. It has considerable ability. There would be risks involved from a security point of view, but missions would last for six months. I hope that Ms Costello keeps this idea in mind. My contacts in the EU have told me about work being done on this subject in the Union.

I thank Ms Costello for the hospitality she extended to the delegations from the European affairs and finance committees of the Oireachtas. She was a wonderful and courteous hostess. The Seanad is extending to her the same courtesy. I wish her well.

I regret that Ireland will lose a seat, dropping to 11. This is a serious situation. Does Ms Costello know what effect the reduction will have? When we voted to allow Croatia to join, I was not voting for Ireland to lose an MEP. If Turkey accedes, how many MEPs will we have? The minimum for any country is six, but we cannot afford to lose any more. Ms Costello works for Ireland, not any political party, when she is in Europe.

Senator Deirdre Clune: I welcome Ms Costello. We have learned the correct title is "Deputy". I thank her for her contribution. It is useful when information is delivered in an oral fashion. The employment and social inclusion committee, of which Ms Costello is a member, is well named and constructed, particularly in light of the difficulties being faced across Europe. Ireland is focused on the issue of unemployment and its effect on people across the board. We are doing much in this regard. I welcome the fact that we can key in and have Europe's support in the form of, for example, information on different methods to help the unemployed to find some type of work.

Ms Costello cited a target of 75% employment by 2020. It must be achievable, given the fact that Ireland's unemployment rate was 5% just a number of years ago. We all know the reasons for this and I will not rehearse them.

I support the youth guarantee fund that Ms Costello mentioned and I hope that we will hear good news on the subject today. That Ireland's youth unemployment rate is 27% is a difficult situation. As Ms Costello knows, the Government announced the Action Plan for Jobs 2013 last week. A key element will be to provide an incentive for employers to hire the long-term unemployed. The State will pay €1 for every €4 that taking on new staff costs an employer. The plan contains a number of other measures.

I am a member of the Oireachtas committee on jobs, which produced a report in the past two weeks on the question of unemployment with particular regard to youth unemployment. The report made a number of recommendations, one of which related to the youth guarantee. We are re-organising training programmes and establishing SOLAS and new further education training boards.

The issue of apprenticeships arises time and again. We have probably gone too far in one direction, losing an important element as we did. The system needs to be adapted. Many people have attended the committee's meetings to explain that we have lost our emphasis on

manufacturing. That sector presents a significant opportunity for youth employment. We also recommended the use of a social clause in all contracts issued by the State.

The private sector is doing much, but could do more. The food and grocery sector is supporting young people by providing work. Part-time work is better than no work. The jobs intern programme has been beneficial for young people. It met with some criticism at the beginning, but the results have shown that young people are actively engaging with it and welcome the opportunity. It provides them with essential skills that they would not otherwise have. More than 50% of them are staying in employment in the businesses in which they interned or elsewhere.

We can undertake many initiatives with the support of our European partners. The successful community employment, CE, scheme was expanded in the last budget. It is important, in that it gives people a sense of empowerment and valuable experience. In return, the community benefits.

My time is short. The final part of Ms Costello's contribution was interesting. She discussed how the deprivation fund was utilised. I was unaware of it. I support her comments on the social pact. Ireland has done well and advanced a great deal in Europe, but having targets helps, as does having someone to create initiatives. If we sign up to a pact, nine times out of ten we respond. I would be interested in Ms Costello's further comments on the matter. I look forward to the situation as it develops. I thank Ms Costello for her contribution.

Acting Chairman (Senator Feargal Quinn): I call Senator Moran, who has five minutes.

Senator Mary Moran: The Acting Chairman caught me unawares. I welcome Ms Costello, or Deputy, as she has told me.

Senator Michael Mullins: Senator Moran has never met her before.

Senator Mary Moran: Never. I welcome her to the House and congratulate her on her appointment last year as a Member of the European Parliament, MEP. I know her long and distinguished career prior to that appointment. For 20 plus years, she was a Dublin city councillor who campaigned long and hard for the rights of the people of Dublin. She was probably one of the city's most effective lord mayors. I am delighted to hear today that she has recently been appointed rapporteur to the European Parliament on the draft EU regulation proposed by the European Commission to establish the €2.5 billion fund for European aid for the most deprived, or the feed fund as she called it. The fund will provide food and essential goods to deprived people, the homeless and children between 2014 and 2020. She stated that it would take over from the food distribution programme, but I would appreciate it if she would elaborate on the progress of this important initiative to date and on when we can expect its definitive adoption by the EU. I believe that it will come into effect in 2014. That will be a full 12 months so could we be provided with more specific details on when exactly it is expected to be implemented?

We know the purpose of the European Union is to promote peace, its values and the well-being of the people. In agreeing the EU 2020 strategy in 2010, EU member state governments specifically set the task of reducing the numbers in poverty or at risk of poverty by at least 20 million by 2020, as has been mentioned. The fund is very welcome as it will replace the current food distribution programme, and I welcome views on how the fund will continue the task of reducing poverty and its effectiveness in doing so.

What will be the immediate tasks as rapporteur over the coming months and how important

will be engagement with non-governmental organisations, NGOs, and specifically those which work with and on behalf of people living in poverty, the homeless and children? What important role will be played by the Minister for Social Protection, Deputy Burton, as the incoming chair of the social affairs council?

I read recently that Ms Costello held a public information seminar in Dublin recently for the Irish NGOs interested in the new fund, which is very good. We must get to the heart of people who will be involved, as that is essential for any initiative to be successful. There must be communication. How effective was the seminar? In Ireland, over 300,000 people were suffering from severe material deprivation in 2010, which is a hard statistic. Ms Costello mentioned that this is a European fund but how can Ireland expect to gain from the fund? How difficult will it be to meet imposed deadlines?

The witness referred to the opposition seen in some countries. I agree that measures like this fund are needed more than ever as more people slip into the poverty trap because of the current economic crisis. I agree with Commissioner Andor's recent words in indicating that the fund is an expression of Europe's solidarity with its most vulnerable citizens and will provide them with relief and hope for a better future. I wish Ms Costello continued success in working with all sides to ensure the success of these ambitious new EU initiative. I may be slightly biased but I have no doubt that she is the right woman for the job.

I will briefly mention the proposed youth guarantee, and I appreciate how hard Ms Costello has worked on it. As she indicated, it is a topic on which she has spoken most since her appointment to the European Parliament. There were worrying figures reported yesterday of 27.7% of people under 25 being unemployed, and Ms Costello has referred to how youth unemployment can affect the young, both in terms of getting employment after being unemployed for a long period, and also from a health perspective. I particularly worry about the mental health issues with being unemployed for a long time. I am a mother of three children in third level education and welcome the youth guarantee, which will facilitate some form of apprenticeship, further education or a job offer within four months. That is vital and a youth guarantee is the best way to tackle employment. I also like the way the process will be person-centred rather than just offering a random course.

Senator Katherine Zappone: I welcome Ms Costello. Although I do not have the filial bias of Senator Moran, Senator van Turnhout and I agree that she has certainly hit the ground running. Senator van Turnhout apologises but as she has indicated, she had to return to her committee, although she will be in touch if she is unable to return to raise her own question. I am most impressed with the way Ms Costello, has already outlined the work she has taken on in such a strategic and comprehensive fashion.

I am delighted and thrilled to hear about her commitment to and vision for what is called "a binding social pact", as she noted in her conclusion. There was also mention of the importance of identifying the objectives of a regulatory and monitoring framework in that regard, which is absolutely crucial. I have been trying to identify the importance of this at an Irish level because of the all-consuming focus on the economy, which is necessary to certain degree. I know Senator van Turnhout and perhaps others in my group would be very keen to know a little more about the subject and are committed to working on it at a European level.

Senator Moran and others welcomed the appointment of Ms Costello as rapporteur for the draft EU regulation to establish an EU fund for European aid to the most deprived. She noted

the importance of the fund being implemented through dialogue or shared management with NGOs and public bodies as partner organisations. Many of us were present when former US Secretary of State, Hillary Clinton, gave a public address in DCU a number of months ago on the frontiers of human rights. One of the key conclusions of the speech suggested that a human rights approach must initiate a strategic dialogue with civil society in the context of developing countries. It may be interesting to consider the idea.

I welcome the remarks of Ms Costello and the commitment of the Minister for Social Protection, Deputy Burton, with regard to the social investment package being developed in the European context. With regard to what is currently ongoing, that social investment largely means social protection, which is good. Recently, the Seanad had a third public consultation planning for social change and innovation. There were a number of groups before it, including Change Nation, Ashoka and Social Entrepreneurs Ireland, representing their views. In that context, I understand there has been some lobbying and encouragement for the development of a social innovation fund within the European budget. Has there been any movement in that regard?

The European Union has recognised the significance of the social innovation sector with entrepreneurship, which has been identified by the Commission as one of the 12 levers to boost growth, strength and confidence, revitalising the Single Market. We can conclude, as a Seanad having listened to the evidence of those incredible organisations operating in Ireland and throughout Europe, that if there is investment in social innovation, it would help stem the tide of poverty and create employment for our youth. Is there a possibility that the social innovation funding will come about?

Senator Sean D. Barrett: I welcome Deputy Costello. The first person speaking in this series, Mr. Gay Mitchell, MEP, indicated that this process is probably the closest form to European-style interaction, and it can be contrasted to the adversarial system in the Dáil. I hope Ms Costello feels at home, as people are discussing ideas here rather than calling for resignations. I will certainly not be doing that.

The numbers provided were graphic, indicating 23.4% unemployment among young people in Europe. The rate is above 50% in Spain and Greece. That is the first issue to be considered. A fixed exchange rate with Germany will cause massive youth unemployment in Spain, Greece, Portugal and Italy. I realise that to look at the presence of those countries in the euro would involve loss of face for bankers, the bureaucrats and so on but I much prefer that to loss of jobs, particularly by young people. That policy may have to be reassessed. It is difficult to see what can happen to Greece with a fixed exchange rate with Germany with 50% of young people bearing that burden.

In assessing the budget, the Common Agricultural Policy, CAP, must also be questioned. Ms Costello mentioned the food needs of people. One of the purposes of the CAP is to maintain food prices and I derive no satisfaction from UK studies that found that large landowners and aristocrats are the major beneficiaries of the policy because they own more land than others. In pursuing goals, significant Structural Funds and some European Investment Bank money was spent but even with the grant included, it adds more to the debt than to output in the state. A stricter assessment of what some of these proposals accomplish is needed, given the dire situation that all member states are in, and Ireland more spectacularly. Such pump priming projects work better when a state's debt to GDP ratio is 20% or 25%, not when it is approaching 100% as it is in most member states.

The youth guarantee schemes are most interesting because the burden has been imposed so heavily on young people. Ms Costello mentioned the 27.7% youth unemployment rate in Ireland. The onus must be put on employers to create more internships and to bring young people in from the margins to experience work. Senator Quinn referred in his book to a man who began a career operating the trolleys in supermarkets. A job leads to another job whereas unrequited or one-way social welfare payments do not lead to anything and build up dependency. We do nobody a favour by giving him or her a payment on condition that he or she does not do anything else and can go to play pool or something else. We must have something better to offer as a reciprocal benefit to the recipient while retaining the cash payment because they have to live as well.

The Minister for Social Protection has drawn our attention to a particular problem. A habit developed during the boom era of putting people on disability and invalidity payments as a consequence of which Ireland has more households with nobody in employment than anywhere else despite spending more on child benefit. Reforms that will improve the lot of our youth by helping them to live in a house where there is at least one worker would be immensely valuable to us. Internships lead to something and the dead end of welfare payments, including those for illness and invalidity, must be addressed.

Is there a way to tackle the language problem in the Union? Ireland suffers from being unilingual and that has been exacerbated recently. Economically, we are in the EU but, linguistically, we have never joined. Should schemes of assistance from Germany and France include French and German people travelling to Irish schools to help improve the employability and the workability in the market? Ms Costello's contribution has been stimulating and I wish her every good fortune. We need to turn Europe around. She pointed out the targets but since the onset of the banking crisis, we have been going in the wrong direction. Sometimes I do not hear enough radicalism from Europe, though I do not refer to her in this regard.

Senator Kathryn Reilly: I join my colleagues in welcoming Ms Costello to the House. It is apt that we are discussing employment and social inclusion this week following the agreement that has been reached on the youth guarantee at today's EPSCO meeting. EUROSTAT released interesting statistics earlier this week relating to social inclusion. The economic crisis, which has stripped away many social welfare rights, is contributing to a widening poverty gap between member States, the European Commission has said, and the worst affected are young people, unemployed women and single mothers in member states predominantly located in the east and south of the Union. The European Commissioner with responsibility for employment, László Andor, said in Brussels on 8 January: "Most welfare systems have lost their ability to protect household incomes against the effects of the crisis."

Indeed, Irish children and working age adults are more at risk of poverty or social exclusion than children elsewhere in western Europe, according to EUROSTAT data released earlier this week. These figures show Irish children are more likely to face social exclusion and financial poverty than their counterparts in 22 of the other 26 member states. A total of 38% of Irish under 18s are most at risk of one of three forms of poverty or social exclusion by living in households with incomes below 60% of the national median or households where people are unable to pay bills on time or households where adults have paid work for less than 20% of their available time. When people among all age groups are taken into account, 29.9% are at risk of poverty, which is well above the EU average of 24.2%. These are damning statistics. How, while holding the Presidency, do we move towards social inclusion in Europe when there is such rampant social exclusion in our State? How can we move towards leading by example and

reducing poverty levels? I acknowledge we are in a bailout programme and all Departments are subject to cutbacks but given how important social inclusion is and that we are holding the Presidency, how can we bridge the gap?

The EPSCO meeting earlier agreed the youth guarantee package and the timing is perfect, given the alarming unemployment figures throughout the EU. The headline figure of 11.7% is bad enough but it is important that we highlight the sharp increase in long-term joblessness, which is more concerning. We need to address it as a matter of urgency when one considers that 45% of the Union's unemployed have been out of work for more than a year and, in eight countries, that percentage increases to more than 50%. In the foreword to its winter forecast, Marco Buti, head of the Commission's economic directorate, acknowledged the grave social consequences resulting from the unemployment crisis. The Commission paper conceded that long-term unemployment is associated with lower employability of jobseekers and lower sensitivity of the labour market to economic upturn. Where do we go from here in funding the youth guarantee and so on? How do we make sure the guarantee is properly resourced? Will we have to match funding? How do we make sure that is done? The guarantee provides for training and further education places and internships but how do we guarantee integration into the labour force? We do not want cheap labour when the recession is over. We need sustainable jobs for young people, which are socially and legally guaranteed, as well as the minimum wage and education and training.

Acting Chairman (Senator Cáit Keane): That concludes the opening contributions and, therefore, we will proceed with questions.

Senator Michael Mullins: I join others in welcoming Ms Costello. Her political experience and achievements go before her and they are well known among everybody involved in politics here over the past number of years. She was successful as Lord Mayor of Dublin and she was responsible for many achievements. She referred a number of times to the €2.5 billion in Union aid for the most deprived and she is rapporteur to the relevant committee. Part of that fund is to address homelessness. In most of our major towns and cities there are issues of homelessness. Does Ms Costello see any opportunity for local authorities to access some of that funding to address the issue? It is depressing and distressing when walking the streets of the capital city any morning to see the number of people who are sleeping in doorways. That happens also in Galway city.

My second question relates to the European youth guarantee which will provide jobs or further education and training or apprenticeships. Ms Costello, MEP, is probably aware that the Health Service Executive and the Department of Health had a scheme that would have provided employment opportunities to 1,000 nurses, yet the unions encouraged those young people not to take up those positions because they considered the starting salaries were not of a sufficiently high level. Could the European youth guarantee scheme, and what we are hoping to do, run into difficulties if we do not get buy-in from the various unions? I would like to hear her opinion of the advice given which I think was misguided as we all have to lower expectations. The chance to get one's foot onto the employment ladder was a missed opportunity for some. They got bad advice.

Senator Ivana Bacik: I warmly welcome Ms Costello to the House. We have soldiered together on many campaigns in parts of Dublin, most recently in Sandymount on the European treaty referendum where we did a very good canvass. I pay a personal tribute to her dedication, hard work, commitment to political change, commitment to the Labour Party and her work to

represent the people of Dublin at European Union level. She has done tremendous work. I am particularly pleased that she should come before the House on the day the European youth guarantee agreement has been made. We have all just heard the good news on that issue. It is wonderful news that at last there will be a commitment at European Union level specifically to tackle the devastating figures on youth unemployment, about which Ms Costello has spoken so eloquently. I have one question. From my reading of the European youth guarantee I note the impressive figures on how it works in Finland, where it has been well established. How does it work in practice and what are the practical changes for young people on the dole and who see no prospect of employment and who are considering emigration? How will it work in practice to impact on those young people?

Senator Feargal Quinn: I welcome Ms Costello to the House. I thank her for saying those nice words about the House. We hope we are here next year and the following year to honour those. I have a couple of questions, one of which relates to safe food in Europe. Is there a danger, particularly after what has happened with the discovery in Ireland of the horsemeat scandal, that the image the European Union has of creating safe food has been damaged and that we are lagging behind other parts of the world? May I tag on to that the possibility of a free trade agreement with the United States because of the very large subsidies that farmers in the European Union get from CAP? Given the ban in the European Union on major American imports coming into Ireland, how can we manage to ensure there will be a free trade agreement? Is that likely to happen? The ban on beef and certain chicken products coming into the European Union makes it very difficult because we have been protecting ourselves on that basis.

My other question is on SMEs and the late payment directive from the European Union. The SMEs believe that the late payment directive will damage the Irish position. We have the latest payments in the European Union given that it takes 66 days to get paid. The new directive requires that payment be made within 30 days but not later than 60; that actually means 60 days. Anybody who is paying will say they are okay for 60 days. Does Ms Costello, MEP, believe EU legislation, such as this, adds to the cost of operating businesses in the European Union?

Senator Aideen Hayden: I welcome Ms Costello to the House. We are living in very different times. I can remember a time when people used to speak about going over to Europe. Here we have a member of the European Parliament appearing before the Seanad. I hope the other House will take a leaf out of our book. It is good to see that greater engagement with the European Parliament. My question is somewhat philosophical. I agree that we need to move more rapidly towards a social Europe. That is important for a number of reasons, not least in terms of the overall competitiveness of the European Union. There are a number of welfare models within the European Union. There is the social democratic model in northern Europe, the residual model in Ireland and the UK, the southern European model in southern European countries and there is an even more different model of social welfare and overall welfare provision in the eastern European countries. If we move towards a more cohesive social Europe, will the European Union work towards a baseline of social supports along the lines of the front end engineering design, FEED, project in which Ms Costello is engaged, which is very much about support for the most needy in society, or is there scope in the context of environmental policy to move towards more consistency of supports between European nations? That is important in the context of overall competitiveness because, like environmental policy, if one country offers only minimal supports and others offer more gilt-edged supports it does have an impact on the type of economy that emerges on the other side.

Senator Colm Burke: I wish to touch on a different matter, the Palestinian issue. I under-

stand Ms Costello has an involvement in that issue in the European Parliament. As one who has visited Gaza, I have raised the issue on a number of occasions. At what stage is the European Union in its efforts to find a solution to the problem between Israel and the Palestinian community? I am particularly concerned about the sale of arms and equipment by EU states to Israel. I am sure that is happening to other countries who may be indirectly involved in the conflict there. What progress has been made in dealing with that issue? While there is a continual supply of arms and equipment we will not make any progress in bringing about a solution. Some 1.5 million people are locked into a small section of land where no progress has been made for the past 15 to 20 years.

Senator Susan O’Keeffe: I welcome Ms Costello to the House. Many Members, particularly Senator Colm Burke, and to lesser extent myself, have been calling for a closer alignment with the activities of the European Parliament. We have not succeeded with the legislative side but certainly having Ms Costello and her fellow MEPs appear before the Seanad is welcome because it means we are trying to reach out and bring the affairs of the European Parliament closer to home. Her speech about the social investment pact was most welcome. Is it impossible to imbed it, as she described it, just from a European Union level? How does one reach out and get support from national governments as it will never come from a European Parliament standpoint, important though that is? In regard to the European youth guarantee she mentioned the potential for pilot projects quite soon. Does she have her eye on certain projects or has she certain projects that she believes would work to prove that the guarantee is real and not just a banner for politicians to fly to say: “Look at what we have done, is not that great”? or “Look, there is the European youth guarantee and it actually does something”.

I o’clock I feel sure that given her passion for the issue that there are probably projects that she has earmarked or consider would be a good model to prove its potential impact.

Acting Chairman (Senator Cáit Keane): I thank all Senators who have asked questions. I ask Ms Costello to respond. She has a wide portfolio. It is even wider than her own brief. One has to be an expert on everything when one comes to the Seanad. I thank her. We appreciate what she is doing.

Ms Emer Costello, MEP: I thank Senators for their comments and questions. I found the debate stimulating and interesting. It reflected on various aspects of my work. I will go through the questions and answer what I can. If I cannot answer I will revert to the Senator who asked the question with additional information. I will answer questions in the order in which they were asked but there may be cross-over on some issues raised.

Senator Leyden and Senator Colm Burke raised the issue of Palestine. I am aware of the Seanad’s strong tradition in monitoring what is happening in the Middle East. When I was in the West Bank recently a number of people from Fatah inquired about former Senator, Mick Lanigan. They remembered him fondly. That was a good experience. I would welcome the opportunity to meet with the Friends of Palestine and to update it on events.

The situation in Palestine is serious. I am fully supportive of a two-state solution whereby Israel should be allowed to live freely and securely within its borders, but equally that the Palestinian state has the right to self-determination and that Palestinians have the right to statehood. That was endorsed recently by the important vote at the UN where it was accorded non-member observer state status. Only one European country opposed the decision, namely, the Czech Republic. It is interesting that Europe facilitated the decision. It is the start of the recognition

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of Palestinian statehood. A huge body of work remains to be done in that regard. The window of opportunity for the two-state solution is narrowing all the time. As we are aware, the Israelis have retaliated with the idea of expanding the settlements in the E1 area just outside Jerusalem. I have been there and I have seen the settlements. I have been to Ma'aleh Adumim. The expansion of the settlement in the E1 area will effectively divide the West Bank in half and it will mean that a contiguous Palestinian state will not be possible. We must monitor the situation. I have been briefing the Tánaiste on the issue.

We still have to see how the new Israeli Government will evolve. It has not been fully formed yet. It is evident from the election results that Israelis voted on many different issues, including social issues. Not all Israelis are preoccupied with the Palestinian conflict. It is important that we appreciate that fact. I was in Israel in October when I met with many civil society organisations and we discussed issues other than the Palestinian conflict. We could spend a long time on the issue. As other speakers have said, the EU must not just be a payer. We are the largest single donor to the Middle East and to Palestine. If we are going to be a payer we must also be a player. I do not believe we are achieving our true potential. I have raised the issue with Baroness Cathy Ashton, the High Representative, in the European Parliament on numerous occasions. I would be happy to send Members the speeches I have made and what I have said to Baroness Ashton in that regard. The EU could play a strong role.

I understand a new initiative is under way. Baroness Ashton is committed on the issue. We must accept that Europe is in a difficult position, as is Baroness Ashton, because while there is talk of Europe speaking with one voice we are 27, soon to be 28, member states and we do not speak with a unified voice on the Middle East. That is a cause of concern. Sometimes when she is criticised it is because she cannot articulate a view in the absence of a unified approach from member state governments. We must take that on board in terms of the EU response to the issue. There are complexities involved. I would welcome the opportunity to discuss the matter with some of the committees.

A number of questions were asked about the EU 2020 strategy and the youth guarantee. The youth guarantee is not a cure-all. It will not end youth unemployment. We are not pretending it will. We are saying there is a crisis of youth unemployment in Europe where the average level is approximately 24% but some countries have 50% to 60% youth unemployment. It is crucial that we deal with the issue. We have seen the experience in countries that implement a youth guarantee in that there are low levels of youth unemployment. There is an opportunity at European level to introduce a project that would take that on board. A total of €6 billion has been set aside for youth opportunities and youth employment initiatives in the MFF. In the Parliament we believe that it should be more. The sum of €3 billion is coming from the social fund and an additional €3 billion will be provided.

A few Members referred to the JobBridge scheme and the positive experience with it. I accept there is concern about internship programmes. On the one hand we have the youth guarantee and on the other we should have a quality framework for internships and traineeships. That would ensure the trainees and interns would not be subject to abuse and that proper monitoring would be put in place. JobBridge is a good model that perhaps other countries could follow. Significantly, we have seen that 60% of participants in the scheme move on to employment. However, we need a quality framework. I recently attended a conference in the European Parliament on youth unemployment. The room was full with 400 young people in attendance. The moderator asked how many young people had done one internship. A total of 99% of those present put up their hand. When asked how many had done two, the result was 95%. More

than half of those present indicated they had done up to five internships. It is not acceptable that we have that level of internships. Sometimes my own institution, the European Parliament, makes great use of interns, who are often unpaid. That is not acceptable. In the European Parliament we must ensure that we have guidelines and a code of practice on internships. The youth guarantee is one piece of the jigsaw and I very much welcome it. It is fortuitous to be present in the Seanad on the day the youth guarantee is announced and is coming to fruition. I agree with Senator Reilly that we need to have jobs for young people and that we must train them and upskill them. However, one must also ask where they will go when they finish their apprenticeships and training. We must also be able to move young people from training and internships into jobs.

We must achieve sustainable growth in the European economy. That is why I believe the European budget should not be seen as a measure of expenditure and that countries fight each other and say they will not put money into the European budget. They should see that contributing to the European budget is an investment in growth not an expenditure item. We must hammer home that message. That is why the European Parliament is concerned about the budget before us. We accept there were a lot of negotiations and that what was agreed on 8 February was the best deal that could be achieved but we in the European Parliament have major reservations both about the amount in the MFF and also some of the content and how the MFF is to be structured and delivered in the next seven years. We have given our group leader, Johannes Swoboda, a mandate to negotiate on our behalf. Senator Clune mentioned the Oireachtas committee on jobs. The European Parliament Committee on Employment and Social Affairs met in Dublin in early February. To answer a question asked by Senator Bacik and others, we discussed the youth guarantee and how and where it could be implemented. The committee met representatives from Ballymun jobs centre. The work being done in Ballymun is hugely impressive with regard to regeneration and involving people from the community at all levels of life. A life-cycle approach is taken in Ballymun. From the time a woman announces she is pregnant, she is taken on board by the various services. It is an integrated approach so that when a baby is born, the mother has the supports. As the child progresses through child care, preschool and school, an integrated approach is taken, including looking after after-school care and health care. As the young person develops and evolves, youth activities are also integrated in the approach of youngballymun. I was hugely impressed with the programme. Ballymun jobs centre ties into it, which provides support to those seeking work. The committee was hugely impressed with what it saw.

We also visited the Digital Skills Academy and saw the types of activities it does. Many future jobs can be created in new media and intranet technology. I will host a conference and exhibition in the European Parliament next Tuesday, which will be opened by Máire Geoghegan-Quinn, the Commissioner for Research, Innovation and Science. It will showcase Dublin as a smart, innovative, creative and connected city. Dublin City Council will be there as will Intel, the DCU Ryan Academy, TCD and IBM Smarter Cities. Some Senators referred to the fact that when I was Lord Mayor, one of the areas I prioritised was Dublin as a creative, innovative, outward and forward-looking city.

I made a submission to the joint committee on jobs and we examined the youth guarantee. I very much welcome the work of the committee and the support we have received from its members. Deputy John Lyons has been very active on the issue.

Senator Quinn mentioned safe food and asked whether we have been tarnished. The European Parliament looked awry at the situation unfolding in Europe. I understand that two years

ago, the European Parliament came up with proposals on food labelling and dealing with the origin of goods, particularly mixed goods, but the Council did not agree with them. The European Parliament is not taking any pleasure in what is happening, but it did indicate it could be an issue.

Senator Moran asked a number of difficult questions, as is her wont. With regard to the food programme we are engaging very much with non-governmental organisations. I held a European Parliament seminar here on 8 February with approximately 100 attendees, many of which represented non-governmental organisations. I engaged widely with NGOs at European and national level. I also met German, French and Belgian NGOs. Many of the amendments I submitted took on board the issues they had brought to my attention.

For the report to progress through the European Parliament I will examine the amendments to try to see whether we can table compromise amendments and bring them to committee. Amendments will be considered in March. We will also examine compromise amendments then and see how we can work with our shadows in the other groups. The European Parliament is a wonderful place because it is not adversarial. It is a bit like the Seanad.

Senator Cáit Keane: Not all of the time.

Ms Emer Costello, MEP: We work in committee and with each other. Ms Marian Harkin, MEP is my shadow on the food report. We work in co-operation and table amendments, after which a proposal is taken to Council.

An issue I raised in my report was the requirement of co-funding for food whereby 85% is financed with co-funding of 15%. My report proposes withdrawing this requirement on the basis that the charities involved in the programme leverage so much additional funding themselves from the work they do. They are able to target various areas. I visited Crosscare and saw its food bank. I met Healthy Food for All. Duncan Stewart did an “Eco Eye” programme on food waste. The programme in which we are involved will tie in with many policies on food waste. A huge amount can be achieved.

We are not out of the woods because there is a blocking minority with regard to the programme. This goes back to the idea of the social pact and how it works, which relates to the questions asked by Senators Zappone and Hayden. The Europe I believe in is one which is socially cohesive. The Single Market is not an end in itself; it is there to serve the people of the European Union. We cannot have a truly proper Single Market unless we have social cohesion. I have been debating this in the European Parliament with members from other member states who do not believe it is the business of the European Union to give food aid to European citizens. I do not believe this. We must reach out to those on the margins.

It is not just a question of giving out charity and this is the problem we had with regard to most deprived persons when only intervention stocks were used. I know people who were grossly insulted to receive cheese stamped as being donated from the European Union. I met organisations who asked how they can give such food parcels to people because their children would open the fridge and see they have intervention cheese. It is terrible. We want the programme to follow a socially inclusive model whereby we do not just give food aid but use it as a way to bring people in and ensure social inclusion measures are taken so people are able to climb to the next rung on the ladder by being able to participate in European Social Fund, ESF, job incentive programmes. The ESF will not look after people at that stage. The food

programme is fundamental to what the European Union is about and social cohesion.

Senator Barrett asked whether a common currency is possible and sustainable and whether Greece should be at the same level as Germany. I do not agree with his premise and I do not believe if Greece is cut free from the euro it will somehow save Greece from any more problems than are being experienced at present. The best thing we can do is show solidarity with Greece. As we have done to date, we must pull out all of the stops to ensure that it stays within the eurozone and support it from within the EU. We must not cast it out or other countries that experience difficulties will go out of the Union. That is not what European solidarity is about.

The Senator's position is advocated by my European Parliament colleague, Mr. Nigel Farage, MEP, with whose remarks on this matter I take major issue. The Senator is not starting at the right place. Greece is facing serious problems. Indeed, its youth unemployment rate is almost 60%. We are also facing serious economic issues, but the stories from Greece are heart-breaking when my colleagues and I discuss it alongside the Spanish and Portuguese situations.

One of my Portuguese colleagues told me of a recent opinion poll. Let us remember that Portugal is a new and emerging democracy, one that has come out of dictatorship within living memory. In the opinion poll, people claimed that they were not disillusioned with politics, their politicians or their Parliament, even though they were. What they were most disillusioned with was democracy. The army stated that it did not overthrow the generals for this situation. That democracy is being undermined is serious.

For this reason, Europe must be seen as part of the solution. The EU can only do so by showing solidarity and promoting social cohesion through the development of the types of idea about which I have spoken today. We have various programmes, for example, the Structural Fund, the Cohesion Fund, the European Social Fund, ESF, and the aid for the most deprived, but we also need a social agenda. The EU is correct in that we need financial rules and we must work within a stable economic framework, but we must also work towards social cohesion and solidarity. We cannot advance the Single Market unless we have a level playing field for all. Ireland has benefited considerably from many of the programmes in question. We can continue to play a role in them.

Senator Reilly asked how Ireland could hold itself up as an example of good practice and hold the Presidency, given its figures. Senator Leyden will bear out my next point. We had an interesting interparliamentary discussion on the European semester two or three weeks ago at which there was a good interaction between national parliaments and the European Parliament regarding the future of Europe. This is how it should be.

There are high expectations of the Irish Presidency. So far, it has gained a reputation for being efficient and business-like and for getting the job done. It is expected that we will be able to deliver on a number of the dossiers currently on the table. When we reach June 2013, a period of electioneering will begin, as the next European elections will be held in June 2014. There will also be a new European Commission. It is important that the Irish Presidency gets the job done before the last year begins. As parliamentarians, Senators understand how the process works. Our Presidency is working towards this aim. The Irish Presidency is taking a leading role.

Senator Quinn asked about trade with the US. When I met the Minister for Jobs, Enterprise and Innovation, Deputy Bruton, he explained that the free trade agreement with the US was one

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of his key priorities for the period. Much needs to be negotiated. The European Parliament will play a strong role in the oversight of a free trade agreement with any country.

A number of other issues were raised. A question was asked on whether we could establish a humanitarian aid corps to work in the developing world. A few weeks ago, the Committee on Employment and Social Affairs delivered an opinion on such a proposal for the Union. I will send the Senator the report.

Senator Quinn asked whether I believed that the late payments directive would impact negatively on Irish businesses. My experience is that Irish small and medium-sized enterprises, SMEs, are seeking the application of the late payments directive. It will apply a penalty or interest to companies that do not pay on time. In these straitened times, it is important that struggling SMEs receive their money. Many of the representations that I have received have been for the directive's implementation. I will investigate into whether other issues obtain.

Last week, the European Parliament discussed SMEs and the extra €10 billion from the European Investment Bank, EIB. The bank should make money available to SMEs and will do so under a programme from 2014.

The language barrier is an issue that is close to my heart. I worked for ten years in Léargas, which manages many of the EU-funded educational programmes in Ireland. I was responsible for developing language projects with schools, sending language assistants abroad and bringing language assistants to Ireland. It was a rewarding programme. Many of the schools and teachers involved found it useful.

Surprisingly, there are many linguists in Ireland. The problem is that, in many ways, English is the *lingua franca*. Often, people must speak English at meetings even where no translation is available. I speak French, which is an advantage, but holding a conversation in French can be difficult because people prefer to speak English. One must work with that preference. My French was useful in my negotiations with many of the French NGOs that I visited, for example, Restos de Coeur, which I visited in Strasbourg. I was able to speak to many people because I had the language. Languages are important. For this reason, I will support the new Erasmus for All programme or whatever it is called. I am not dying about the name. Its budget needs to be fit for purpose. I would hate this year's experience to be repeated, as we ran out of money for national agencies and students before we resolved the situation. I am glad that the European Parliament played a strong role in that resolution.

I have covered most of the issues raised by Senators. I went around the House thematically. Senator Zappone asked whether we could ensure the social pact would be socially binding. We must put the same rules in place for social legislation that we do for economic legislation. I welcome the fact that the social investment pact launched by Commissioner Andor last week is the start of that process. I hope that the Council can develop the process by June.

The final question was on a matter dear to my heart, namely, the reduction in the number of seats. The proposal on the table is that Ireland would lose one seat at the next European elections. Although the proposed reduction is a result of Croatia joining the EU, it is also a result of the Treaty of Lisbon, under which there can only be 751 seats in the European Parliament. Croatia will have 12 seats when it joins in June, but it will automatically lose one as well. In my view, Croatia and Ireland are not being treated fairly under this proposal. The principle of "digressive proportionality" is to ensure that smaller states retain a larger number of seats in

order that they can actively participate. In future, Ireland will have 11 seats, which equates to one MEP per 417,000 people while Finland and Slovakia will have 13 MEPs, which equates, respectively, to one MEP per 413,000 and 415,000 people. There is very little difference between Finland and Slovakia. I believe the number of seats allocated to Ireland is disproportionate. There will be 751 MEPs in the European Parliament. The report commissioned states that Germany should lose three seats, because up to now it has been overly represented, and that no other country should lose more than one, with which I agree. In my view, Ireland should not lose a seat. Ireland and Croatia both have a population of 4.5 million people. Despite massive emigration, Ireland has one of the fastest growing populations. As such, it should retain all its seats. I proposed that Italy and Austria should lose seats. While Austria will lose one seat, Sweden rather than Ireland will benefit.

The matter will go before the European Parliament in March and will be voted on there. As the report was voted on at the Constitutional Affairs Committee, it is unlikely that decision will be overturned. I believe it is not in Ireland's interests to have fewer MEPs. Irish MEPs serve on a large number of committees. Even with 12 MEPs and the best will in the world every committee is not attended by an Irish MEP. I have given the Seanad a snapshot of my work on the Employment and Social Affairs Committee. This level of work is duplicated by the 30 plus other committees. We have only 12 MEPs to cover all committees. To be at the heart of Europe requires us to be at the heart of decision-making. We should be involved in committees and making the decisions. As I said, the matter will soon go before the European Parliament. As a Council member, Ireland, like all other Council members, will have a veto on it. I understand that the Council proposes to accept the Parliament's recommendation. We will probably be left with 11 seats, following which there will be a rush to do a constituency revision. It is unlikely there will be any two-seat constituencies. I envisage we will be reduced to three-seat constituencies, which is unfortunate. While I will continue to oppose this, once the deal is done we will have to move on.

It is important to say also that quantity is not always enough. We must have quality MEPs.

Senator Mary Moran: Well said.

Ms Emer Costello, MEP: We must have strong representation in Europe. I hope Members will agree, based on what I have told them today, that I am trying to provide effective and strong representation for Ireland in Europe.

An Cathaoirleach: I thank Ms Costello, MEP, for her fine contribution and responses to Members' questions. When is it proposed to sit again?

Senator Maurice Cummins: At 2.30 p.m. on Tuesday, 5 March 2013.

Adjournment Matters

Equality Legislation

An Cathaoirleach: I welcome the Minister of State, Deputy Costello, to the House.

Senator Averil Power: I welcome the Minister of State to the House. This time last year Fianna Fáil published the Employment Equality (Amendment) Bill 2012, which was designed to end the situation whereby under Irish law religious-run institutions may be able to discriminate against employees, or potential employees, solely on the grounds of their being lesbian, gay, bisexual, an unmarried mother, separated, divorced or cohabiting outside marriage.

The Minister of State will be aware that the possibility of such discrimination is a source of real fear and unhappiness for LGBT people in particular, such as teachers and doctors and other staff, many of whom feel the need to hide something as important as their sexual orientation from their colleagues and go to work every day pretending to be somebody they are not.

When I published the Bill last year, I immediately wrote to the Minister for Justice and Equality, Deputy Shatter, as the Minister directly responsible, and the Minister for Education and Skills, Deputy Quinn, from an education perspective expressing my desire that we would be able to work on this issue on an all-party basis and agree to make progress on it. I also made clear to both Ministers in my initial correspondence and in follow-up contact with them and their advisers that I would accept any amendments which they or their legal advisers felt were necessary to improve the text that would deliver on the principle of the Bill and end the discrimination. Therefore, I was deeply disappointed when the Government chose to oppose the Bill on Second Stage in the Seanad. The reason I was disappointed was that so many teachers in particular had written very personal e-mails to me about what they had gone through and their desire to have section 37(1) of the Employment Equality Act 1998 amended prior to the commencement of the next school year which was last September. Unfortunately not only was that opportunity missed but now at the end of February, I and many people are wondering if this opportunity will be taken before the next school year which is next September.

In rejecting the Fianna Fáil Bill last year, the Minister, Deputy Shatter, gave a number of commitments to this House. He stated that the Government accepted the principle of the Bill and would bring forward its own proposals early in the new year. He made this contingent on the finalisation of the amalgamation of the Human Rights Commission and Equality Authority and said that the new body would be tasked with developing proposals for Government to amend section 37(1). Ten months on from the debate on that Bill in this House which the Government voted down, not only have proposals not been brought forward, but the body to be tasked with developing the proposals has not even been set up. I am tabling this matter for discussion as I am seeking information on what the Government plans to do. Is it still intended to wait until the new human rights and equality commission is in place before commencing work in this area? Is there any hope section 37(1) of the Employment Equality Act 1998 will be amended prior to the commencement of the next school year?

Minister of State at the Department of Foreign Affairs and Trade (Deputy Joe Costello): I thank Deputy Power for tabling this motion and apologise for the absence of the Minister for Justice and Equality, Deputy Shatter. I acknowledge the legislation put forward by Deputy Power last year and thank her for her continued interest in this particular matter.

On behalf of the Minister, I wish to restate the commitment given by him, with the Minister for Education and Skills, Deputy Quinn, to strengthen the statutory protection for equality in this area. The Government has undertaken in its programme for Government to ensure that people of non-faith or minority religious backgrounds and publicly identified LGBT people would not be deterred from training or taking up employment as teachers in the State.

The Minister, Deputy Shatter, has previously expressed concern about the potential impact of section 37 of the Employment Equality Act on lesbian, gay, bisexual and transgender, LGBT, persons. This section is designed to allow schools and other institutions to maintain their religious ethos. It was examined by the Supreme Court in 1996, when the Employment Equality Bill 1996 was referred to it under Article 26 of the Constitution. The Supreme Court found that it is a reasonable balancing in legislation of the different rights involved, including chiefly the right to earn a living and the rights to freedom of religion and association.

The Minister, Deputy Shatter, is concerned, however, that in practice the balance is not a fair one and that this provision can operate in a way that is unfair to LGBT persons. In this House last May, the Minister welcomed the dialogue initiated by Senator Power and set out his preliminary ideas on how reform might be approached, having regard to advice that this provision of the Employment Equality Acts touches on issues of profound constitutional sensitivity and importance.

The competing rights in this area include freedom of religion, freedom of assembly, right to privacy and to earn a living, freedom of expression and conscience, and the right to freedom from harassment and discrimination. The constitutional obligation on the State to vindicate the personal rights of citizens is also important. As a pluralist constitutional democracy, it is incumbent on the Legislature to respect and promote both equality of treatment and tolerance of and respect for religious differences. For these reasons, the Minister considered that an extensive consultative process and formal assessment of the options should be undertaken. It remains, therefore, his intention to ask the new Irish human rights and equality commissioners to examine the issue as a priority. The commission will be invited to report on views and recommendations to the two Ministers centrally concerned, the Minister for Education and Skills and the Minister for Justice and Equality, as well as to the House. The Minister, Deputy Shatter, wishes to stress his commitment, once this necessary consultation process is completed, to bringing forward Government proposals for any necessary anti-discrimination amendment to this provision.

To address the core of this issue, the following progress has been made to date. Senators will be aware of the publication on 5 June 2012 of the general scheme of a Bill to replace the Equality Authority and the Human Rights Commission with a new Irish human rights equality commission. Drafting of the Irish human rights and equality Bill is at an advanced stage and the Minister expects to be in a position to bring this to the Cabinet in the near future.

At the same time, practical preparations to establish the new Irish human rights and equality commission have also advanced. As Senators will be aware, an independent selection process relating to the membership of the new commission is under way. The intention is that the successful applicants will be appointed to the two existing bodies, the Equality Authority and the Human Rights Commission, pending enactment of the necessary legislation to effect the merger. I should also mention that it is intended that the successful applicants will meet with the Joint Committee on Justice, Defence and Equality. The selection process and timetable are matters for the independent selection panel but the Minister hopes to be in a position to make a further announcement on the appointment of the new commission soon. This is a necessary preparatory step to the consultation envisaged by the Minister and one which he had hoped to be able to conclude by now. He acknowledges that there may be frustration in some quarters anxious for a swift amendment to section 37. However, he cautions against action without having given all interested parties the opportunity to contribute to the debate and fully consider all the options open to us. The new commission will be uniquely placed to carry out such a

consultation.

The Minister, Deputy Shatter, considers it is worth noting the priority that the Government has given over the past year to events highlighting issues affecting LGBT persons, both nationally and on the EU stage. These events have included the first EU Presidency side-event on LGBT issues since 2004, which focused on homophobic and transphobic bullying. He feels strongly that this is important groundwork in preparing for informed public debate on these issues in the forthcoming consultation and for future discussions in this House.

Senator Averil Power: I acknowledge that the Minister of State is responding to the issue on behalf of the Minister for Justice and Equality, Deputy Shatter, who is not here today. I am disappointed to learn that developing proposals in the area is still contingent on the merger of the equality bodies, as that is proceeding at such a slow pace. The word “shortly” has been used many times in the past year regarding the equality bodies, although I appreciate this is not a matter for which the Minister of State has direct responsibility.

When we discussed the matter last year I indicated that I did not understand in the first place why we needed to have public consultation on the issue. I accept there is absolutely a requirement from a legal perspective to be careful about the wording, particularly given the constitutional provisions in the area and the competing concerns regarding the constitutional provisions on equality on one hand and freedom of religion on the other. I accept the legal wording must be worked out.

I do not accept the need to consult on the principle of the matter. Either we accept that it is wrong to discriminate against people purely on the basis of their sexual orientation or we do not. If religious institutions could discriminate against somebody on the basis of colour or any other intrinsic quality, we would not ask them for their opinion on whether we should change the legislation, we would just accept it is wrong and move on with the change. I am unhappy that the process is still contingent on public consultation.

I ask the Minister of State to bring up the issue again with the Minister and ask that he brings more urgency to it. It is important. There is another school year coming and the Minister of State correctly commented on the progress made in other areas, such as bullying. I welcome that and the work done by the Minister for Education and Skills, Deputy Quinn, in particular, in prioritising the tackling of homophobic bullying. However, the reality is the reason so many young people are unhappy is because they are robbed of role models or teachers who cannot be free to be themselves. That leads to isolation, unhappiness, depression and, ultimately, suicide in our young people. It is great that we are working to tackle bullying but we must change the whole climate in which young teenagers are brought up if we are to tackle the issue.

I ask the Minister of State to revert to the Minister with these concerns and ask him to bring a greater sense of urgency to the issue.

Deputy Joe Costello: The two bodies are being merged. As the Minister has indicated, the Irish human rights and equality commission Bill is close to being brought to the Cabinet and published. The Minister is already in the process of establishing the Irish human rights and equality commission, and it will be set up by merging the two existing bodies, pending the introduction of the legislation.

With regard to consultation, the Supreme Court found that the existing legislation was constitutional, so arguments can be made on both sides. The Minister for Social Protection is

working on the draft heads of a gender recognition Bill, which will also be fairly complex. The gender recognition advisory group report was published in July 2011 and it is expected that the heads of the Bill will be brought shortly to the Oireachtas Joint Committee on Social Protection and Education.

Prison Accommodation

An Cathaoirleach: Is Senator Kelly giving some of his time to Senator Leyden?

Senator John Kelly: I do not mind. I can give him one minute. I welcome the Minister of State to the House. This matter is of great concern to all Oireachtas Members in County Roscommon. Harristown House is a unit adjacent to the prison in Castlerea. Historically, this was an open unit used to deal with prisoners with problems from drug misuse. When St. Patrick's Hospital in Castlerea closed, the people in the area believed that the prison in the area would benefit the town, as there would be many prison officers and staff employed, with many wage packets floating around. The reality is that the prisoners came but the prison officers did not look to reside in Castlerea, with the majority residing 20 or 30 miles away. There was no great contribution to the economy in Castlerea.

It is with great regret that people see that this unit is bringing no benefit to the people, and it has brought a certain level of criminality to the town. It may be proposed that "lifers", or those people with life sentences, mainly for murder, coming to the end of their sentences may be housed in this new unit at Harristown House. This is coupled with fewer Garda numbers on the beat and the closure of Garda stations around the county. To this degree, many elderly people are frightened. I seek assurance from the Minister for Justice and Equality that so-called lifers will not be housed in the open unit. Will the Minister of State ask the Minister for these assurances on my behalf and that of the people of Castlerea?

Senator Terry Leyden: I thank the Minister of State for coming here. It is nice to see him and Ms Emer Costello here together. She has acquitted herself very well and was a *tour de force*.

I thank Senator Kelly for sharing his time with me and allowing me one minute. There should be consultation with Oireachtas Members and the people of Castlerea with regard to the matter. It was brought to my attention by Councillor Paschal Fitzmaurice, a local councillor in Castlerea. As I said this morning, a meeting will be held at Tully's Hotel, Castlerea, to discuss the matter. People are genuinely concerned about the matter and fear the unknown. About a year ago, two Romanians escaped from Castlerea Prison. There was no closed circuit television so nobody knows how they got out of the main prison.

People are deeply concerned about Harristown House and would prefer if it was used for rehabilitation again. Mr. Danny Burke, a former councillor, was chairman of the committee when Harristown House was a successful rehabilitation unit. The people of Castlerea would be very supportive of the venue being restored to its former use, particularly as it led to jobs and activity in the area. People are afraid of the unknown because they would not be able to control who resides in Harristown House.

I do not have to pay €5 to the Cathaoirleach because I bet that the Minister for Justice and Equality would not come to the House today. However, I respect the position of Minister

of State because I was one myself and acted on behalf of other Ministers. I support Senator Kelly's view and request that the Minister for Justice and Equality meets public and community representatives before the unit opens. I presume, following tonight's public meeting in Castlerea, that there will be a call for the Minister to meet the community and Oireachtas Members to discuss the issue before the venue is occupied by so-called lifers or prisoners finishing their sentences.

Deputy Joe Costello: I thank both Senators for their contributions. I thank Senator Kelly for tabling the motion and Senator Leyden for his contribution. I shall answer on behalf of the Minister and he asked me to apologise for him.

The Minister wishes to respond directly to Senator Kelly's question as to whether life sentence prisoners will be housed at Harristown House. The Minister's officials are still considering options for the optimal use of the facility but I am advised that the facility will not be restricted to housing prisoners in that category.

By way of background, Harristown House is a 22-room, two storey house constructed circa 1920. The house is located directly adjacent to Castlerea Prison and, until recently, was used by the Probation Service to house people in its care. At that time people, usually with drug related problems, were dealt with by the Probation Service at the house. The house was unoccupied and unused for approximately four years and was in a state of considerable disrepair following water damage incurred as a result of the very harsh winter of 2010-11.

I am sure that Senators Kelly and Leyden will agree that in the current economic climate, it is undesirable for State-owned property to be left unoccupied and unused in circumstances where a potential or possible use for that property has been identified. In that regard, following an examination, it was considered that the property was suitable for refurbishment in order that it could be used as a low security accommodation unit for 15 to 18 prisoners who could be located there as part of a scheme to encourage good behaviour and trustworthiness among prisoners as part of their sentence management. Prisoners in Harristown House will be employed in the orchard, the grounds and local community projects under the control of the industrial manager.

Obviously, the length of time spent there would depend on a number of factors, including time already served and time left to serve. In that regard, while no decision has yet been made as to the category of prisoner, by reference to sentence length, nature of offence and so on, to be housed there, I can assure the Senator that the normal considerations in relation to risk assessment will apply before any prisoner is transferred to the house. In the day-to-day management of the prison system, these risk assessments are made on a regular basis by the Minister's officials in the Irish Prison Service. For example, they consider the suitability of the transfer of prisoners from closed prisons and institutions to open prisons and lower security facilities.

When considering the suitability of prisoners for transfer to lower security institutions, the Minister's officials consider a number of factors, including the safety of the public, specifically flight risk, the nature and gravity of the offence, and the length of sentence served and remaining. Therefore, while I cannot at this stage inform the Senator as to the precise type of prisoner to be housed at Harristown House, I can advise that the usual stringent eligibility criteria, which apply to other prisoners being moved to lower security prisons and institutions, will be considered and assessed. Open centres and lower level security settings are vital tools in the reintegration and rehabilitation of prisoners. They encourage an ethos of independent living

and offer a transition between custody and community-family life. When the refurbishment works at Harristown House are completed and the house is ready for occupation, it will provide an additional and valuable resource to the Irish Prison Service in managing the transition from prison life to open living in the community. The Minister is sure that the Senators will appreciate the benefits of this addition to the prison estate. I thank Senator Kelly for raising the matter and tabling the motion.

Senator John Kelly: I thank the Minister of State. Thankfully, I was privy to the response and read it earlier because Deputy Denis Naughten tabled the matter in the Dáil under Topical Issues yesterday. He received exactly the same response except this morning my title of Senator was substituted for Deputy. I shall quote one line from the response given to the Deputy: “While several options remain under consideration for the optimal use of the facility, I can say that I am advised that the facility will not be restricted to housing prisoners in that category.” The start of the sentence led me to believe that the Minister was suggesting that he was not going to put so-called lifers into the facility, but that is not true. It also suggests that so-called lifers will be housed there and we do not know who else. Towards the end of the response yesterday, the Minister said that “the safety of the public” will be a serious consideration. If that is the case, then I agree with Senator Leyden’s call to organise for a deputation of Oireachtas Members for Roscommon to meet the Minister. I would appreciate it if the Minister of State, Deputy Costello, could organise the deputation on our behalf.

Deputy Joe Costello: I thank the Senator for his remarks. It seems to me that the Minister is really saying that there is no category excluded *per se* but that the usual eligibility criteria, in terms of assessment, management and care, will be employed. It is so that prisoners are not released cold into the community without some temporary release being availed of. The measure prepares prisoners for release and safeguards the public.

With regard to the request for the Minister to meet a delegation to discuss a concern about so-called lifers, I shall speak to the Minister about it. I shall forward the request and then I will contact the Senators.

An Cathaoirleach: Is the Minister of State finished?

Deputy Joe Costello: I am finished.

Public Transport

An Cathaoirleach: I welcome the Minister of State, Deputy Perry.

Senator Lorraine Higgins: I welcome the Minister of State to the House. I thank him for taking the Adjournment matter which is my request that the Minister for Transport, Tourism and Sport intervene with the National Transport Authority to save bus route 418, which is being discontinued and which operates between Athenry and Galway via Derrydonnell and Oranmore, County Galway. The Minister of State might not be aware that the early morning bus route is an essential service for people who live in and around the Athenry area, particularly for connectivity purposes. My argument for it has been further bolstered given the number of people who have contacted my office and me in recent times following the threat to abolish the route.

2 o'clock I have been in contact with a number of people, including those working in Oran-

more and Galway city and the parents of children attending schools in the city and Salthill, who are dependent on the service. These are places a train service cannot reach. On foot of the calls and e-mails, I got in contact with the National Transport Authority and outlined the position. The response I received is that there is insufficient demand for the service. With all due respect to the authority, this is disingenuous given that Athenry is a sizeable commuter town of Galway city. When I was in school in Salthill, the bus was packed every morning at a time when Athenry had a population of 1,000 people. Now, it has 5,000 people and I would hate to think the decision is made in an attempt to force people onto the train in Athenry arising from the significant losses Irish Rail made in the past year. In all circumstances, I ask that the Minister for Transport, Tourism and Sport intervene in the situation so that this essential and invaluable service is retained for the people of Athenry and its hinterland. While everyone acknowledges we are in recessionary times and that some cutbacks must be made, the decision to deprive a town of a bus route that services 5,000 people and departs at 7.30 a.m. to bring people to work and to school, with its important strategic value in terms of further development, is perplexing. I ask that the Minister for Transport, Tourism and Sport sees the value of the route to the Athenry community and acts accordingly.

Minister of State at the Department of Jobs, Enterprise and Innovation (Deputy John Perry): I thank Senator Higgins for raising this important issue. I am taking this Adjournment debate on behalf of my colleague, the Minister for Transport, Tourism and Sport, Deputy Leo Varadkar.

The Minister has no role in the bus routes operated by Bus Éireann. The provision of bus services and the routes they take are operational matters for the company in conjunction with the National Transport Authority. Bus Éireann operates a mix of services. Some of these services are commercial services in which it competes on the open market with private operators. It also operates public service obligation, PSO, services. The PSO payment is made to the company to carry out important and necessary bus services that otherwise would not be viable. The Minister recognises there must be a focus on and realistic assessment of the scope and level of PSO contracted services in the years ahead in line with key public transport priorities.

The Minister has made inquiries with the National Transport Authority and it has confirmed that the withdrawal of Bus Éireann's PSO route 418 between Athenry and Galway has been approved by the authority. The approval follows a number of changes to the network of public transport services in the Galway area including the extension of Galway city route 410 to serve Oranmore, the increase in rail services from Athenry to Galway and the licensing of additional bus services between Athenry and Galway to Farrell Travel trading as Buslink. The Minister understands the NTA view that these services adequately meet the demand for travel and between Athenry and Galway and Oranmore and Galway. Oranmore is also well served by Bus Éireann commercial routes 20 and 51 and by Citylink's commercial route between Galway and Dublin City and the airport. The NTA also pointed out that the numbers of passengers travelling between Athenry is insufficient to justify the continuation of route 418.

Senator Lorraine Higgins: Regarding the response, it is all very well saying the extension of the route to serve Oranmore is satisfactory and is the reason another route should be abolished. That does not address the issue for the people living west of Athenry in Mulpit, Derydonnell and the area east of Oranmore. What will commuters and those attending schools in Galway city do?

Regarding the increase in rail services between Athenry, the bus route goes as far as Salthill

every morning. What about the people reliant on the service going as far as Salthill? If one has to go west of Galway city, the train does not go that far.

Regarding the point about Farrell Travel, the company does not operate a service at 7.30 a.m. and does not have an intention to do so. This leaves me at a loss because it is a necessary service and it is regrettable the decision has been made.

Deputy John Perry: The Minister for Transport, Tourism and Sport is carrying out an evaluation of all of the PSO routes in respect of commercial viability. I am sure Senator Higgins has already embarked on engagement with the Bus Éireann manager in the area and discussed the viability of alternative routes. The extension of the Galway route, the additional rail services and the licensing of bus additional services may not be at the time to which Senator Higgins referred, 7.30 a.m., but perhaps she can talk to a private operator in the area, such as Buslink, that may consider taking up the route being withdrawn. I have no doubt a private operator, such as Farrell Travel, may be interested in it if it is as viable as Senator Higgins suggests.

Senator Lorraine Higgins: At the moment there is no service at 7.30 a.m. I ask that the Minister of State conveys my comment on the bus route to the Minister and asks him to organise a delegation from Athenry, Derrydonnell and Mulpit to attend the offices of the National Transport Authority and see if we can make progress on the matter.

Deputy John Perry: The arranging of delegations is entirely at the behest of Senator Higgins's office and is not the Minister's job. The Minister has clearly specified what he can do and I would strongly recommend examining it from a business sense. If the viability is so assured, and given that the Minister has said he has no direct responsibility for Bus Éireann, I strongly suggest the Senator speaks to private operators in the area.

Youth Services

Senator Kathryn Reilly: I welcome the Minister to the House and thank him for taking this motion. The debate is timely given the publication earlier this week of EUROSTAT data on poverty and social exclusion and the recent circular about funding from the Department of Children and Youth Affairs to youth organisations. Irish children and working age adults are more at risk of poverty or social exclusion than any other children in western Europe according to EUROSTAT data released earlier this week. The figures suggest Irish children are more likely to face social exclusion and financial poverty than their counterparts in 22 of the other 26 member states. Some 38% of Irish under-18s are most at risk of one of three forms of poverty are social exclusion: living in households with disposable income of less than 60% of the national median, being unable to pay bills on time, or living in households where adults have paid work for less than 20% of their available time.

We all agree youth services are a vital part of community development across the State but cuts of 10% to the baseline funding for 2012 in respect of the schemes, the youth services grant scheme, the special projects for youth, young people's facilities and services funds rounds 1 and 2, youth information centres and local drugs task force projects will jeopardise front-line support for young people, especially those hit hardest by the recession and by disadvantage. At a time when 38% of Irish under-18s are most at risk of one of three forms of poverty and social exclusion, and with one in five people not in education, employment or training, the State should be investing more in the services to ensure the young people are supported.

On the day when EU Ministers are discussing and agreeing upon the youth guarantee and trying to ensure no young person sinks into unemployment or long-term unemployment, Ireland is cutting the funding for youth services to deal with these very groups of people. As holders of the EU Presidency, should we not be leading by example and empowering and equipping organisations and services at the forefront of dealing with these young people and making sure they have the resources they need? Should we not be showing we are serious about young people? This is important given the EUROSTAT figures published recently. At the IBEC conference, Mr. Barroso said:

Here in Ireland, and all around Europe, too many young people are asking if they will ever find a job or have the same quality of life as their parents. We need to give these young people a better prospect. That is why, in the recent budget negotiations, the Commission fought to secure a large increase in funding for youth.

How will the Irish Government ensure that, coming out of the proposals from the EU Ministers meeting, we will match the resources and make sure the increase in funding is targeted at youth and important groups that have already been dealt a 10% cut from last year? Eurofound revealed that the economic loss to society of not integrating young jobseekers throughout the EU is estimated at €153 billion. The economic cost to countries like Ireland is estimated to be in the region of 2% of GDP so the cost of youth unemployment could be at €3.16 billion. Youth organisations have a critical role to play in that reintegration and cutting their funding is short-sighted when we consider growth, stability and jobs, which are the focus of the Presidency.

The recent Indecon economic assessment for the National Youth Council of Ireland proved youth work is value for money, with every €1 invested by the State in youth work saving €2.20 in the long run. That makes the cuts to these youth services even more difficult to understand, especially when those services are themselves stretched to the limit and cannot sustain any further cuts.

Deputy John Perry: I am taking this Adjournment debate on behalf of the Minister for Children and Youth Affairs, Deputy Fitzgerald, and I welcome this opportunity to address this issue and thank the Senator for raising it.

Some €53.173 million is being provided in 2013 by the Department of Children and Youth Affairs to support the delivery of a range of youth work programmes and youth services for all young people, including those from disadvantaged communities, by the voluntary youth work sector. The focus of this financial support in 2013, as in previous years, is on the consolidation of existing youth work provision and on the safeguarding, as far as possible, of front-line programmes, services and jobs, particularly in disadvantaged communities.

This funding is delivered through a number of schemes including the youth service grant scheme, special projects for youth, youth information centres, young peoples' facilities and services fund, local drugs task force and local youth club grant scheme. Youth work programmes and youth services are delivered to some 400,000 young people by over 1,400 youth work personnel, who in turn support a large volunteer base of some 40,000 people.

As part of our efforts to address Ireland's deficit, all Departments have had to find savings. The comprehensive review of expenditure published in December 2011 requires savings to be made in the Department's youth work budget. The 2013 allocation for youth work, between current and capital, will be in excess of €53 million. This remains a significant level of funding.

Nonetheless the Minister is acutely aware that the youth work sector has seen its budget reduced significantly over recent years. The savings required under the comprehensive review of expenditure in respect of this year amount to €5.393 million, which equates to almost a 10% reduction on 2012 funding. It should be noted there were no reductions in the national funding envelope for the local youth club grant scheme in 2012 or in 2013. This scheme funds approximately 1,600 groups throughout the country, which in turn provide activities to 100,000 young people.

In addition, €1.5 million will be provided in 2013 for youth cafes and youth projects. My Department will be announcing further details regarding the application process for the 2013 funding programmes very shortly. This follows on from funding of €500,000 which was provided in 2012 for the development of a number of youth cafes which had applied for previous youth cafe funding schemes.

The reduced allocation in the youth budget in recent years has required much tighter budget management and prioritisation. Officials of the Department have met with representatives of the youth sector on an ongoing basis to ascertain the sector's views on how best to minimise the impact of budgetary constraints with a view to consolidating, as far as is practicable, the progress made in previous years and to safeguard the services for the most vulnerable young people.

The Department has also exhorted all the national youth organisations and vocational education committees to revisit their level of expenditure to determine where cost savings can be achieved, bearing in mind the challenging budgetary situation that we face at this time.

To maximise the use of the funding available for youth services and programmes, the Department has afforded flexibility to the grant administering bodies to propose the reconfiguration of the allocations provided, having regard to the knowledge available to these bodies about the needs of young people at local level. Any such local proposals or recommendations require the approval of my Department before they are implemented. For example, earlier this week the City of Dublin Youth Service Board submitted a proposal to the Department requesting that percentage reductions which are different to those outlined in the CRE would be applied to the projects in the Dublin city area. The Minister is examining this proposal which is just received and will be responding to CDYSB in relation to the recommendations very shortly.

The Department has commenced a formal and comprehensive value for money review of youth funding and this is expected to report by mid-year. The Department has also prioritised the improvement of quality provision in youth work through the publication and ongoing implementation of a national quality standards framework for youth work. The Department has also developed national quality standards for volunteer-led youth groups which will be launched next week.

The Seanad adjourned at 2.15 p.m. until 2.30 p.m. on Tuesday, 5 March 2013.