



DÍOSPÓIREACHTAÍ PARLAIMINTE
PARLIAMENTARY DEBATES

SEANAD ÉIREANN

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

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SEANAD ÉIREANN

Dé Máirt, 28 Bealtaine 2013

Tuesday, 28 May 2013

Chuaigh an Cathaoirleach i gceannas ar 2.30 p.m.

*Machnamh agus Paidir.
Reflection and Prayer.*

Business of Seanad

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

The need for the Minister for the Environment, Community and Local Government to indicate his plans for 2014-2016 for the scheme to support national organisations outlining if and when a new scheme will be announced, the consultation process envisaged, arrangements for recipients for any intervening period following the end of the current scheme in December 2013, and the transition to a new scheme.

I have also received notice from Senator Denis O'Donovan of the following matter:

The need for the Minister for the Environment, Community and Local Government to provide a detailed explanation as to why €2.136 million has been cut from the west Cork development programme (Leader) and what he proposes to do for such programmes so that they can proceed and be fulfilled.

I have also received notice from Senator Paschal Mooney of the following matter:

The need for the Minister for Education and Skills to indicate what support, if any, is available to potential part-time students who have completed FETAC training in child care and if he will make a statement on the matter.

I have also received notice from Senator Denis Landy of the following matter:

The need for the Minister for Agriculture, Food and the Marine to provide information on what progress has been made to date to provide support to the Irish horse industry to open up export trade with the Chinese market, in particular for draught horses, and if he is open to the provision of funding or will make available to the industry either directly or through rural development companies, resources to carry out a feasibility study in this area.

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

The need for the Minister for Health to provide information by way of comparative figures for the provision of home help services on a regional basis between quarter 1 of 2011 and quarter 1 of 2013 across the country, the number of hours provided, the number of clients, average individual hours to each client, the overall spend in each period in each region and the relevant percentage of spend from the annual home help budget for each period.

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

The need for the Minister for Education and Skills, in view of the over-capacity and on-going demand for school places, to outline the current status of the application for new accommodation, including any possible time frame for delivery of a new educational campus for Holy Rosary College, Mountbellew, County Galway.

I regard the matters raised by Senators van Turnhout, O'Donovan, Landy and Mooney as suitable for discussion on the Adjournment and they will be taken at the conclusion of business. Senators Kelly and Higgins may give notice on another day of the matters they wish to raise.

Order of Business

Senator Maurice Cummins: The Order of Business is No. 1, motion re arrangements for the address to Seanad Éireann by Ms Margareta Wahlström, UN Special Representative of the Secretary General for Disaster Risk Reduction and head of the United Nations Office for Disaster Risk Reduction, on 29 May 2013, to be taken without debate on the conclusion of the Order of Business; No. 2, motion re arrangements for the address to Seanad Éireann by Paul Murphy, MEP, on 30 May 2013, to be taken without debate on the conclusion No. 1; No. 3, Criminal Justice Bill 2013 - Second Stage, to be taken on the conclusion of No. 2 and to adjourn no later than 5.15 p.m., if not previously concluded, with the contributions of group spokespersons not to exceed eight minutes and those of all other Senators not to exceed five minutes; No. 4, Criminal Law (Human Trafficking) (Amendment) Bill 2013 - Report Stage, to be taken on the conclusion of No. 3 and to adjourn no later than 5.45 p.m., if not previously concluded; and No. 5, Non-Use of Motor Vehicles Bill 2013 - All Stages, to be taken at 5.45 p.m.

Senator Darragh O'Brien: We broadly support the Non-Use of Motor Vehicles Bill 2013. I note the precedent last week whereby all Stages of a Bill were ordered. I ask why this Bill is being considered in all Stages. More important, I note that on Thursday the Leader proposes taking all Stages of the Financial Emergency Measures in the Public Interest Bill. He is proposing to deal with all Stages of two Bills in one week. We will oppose the Order of Business on this basis and not because we are opposed to the Bill. The precedent and the practice of putting Bills through the House in all Stages is not good. In advance of Thursday, I ask the Leader to consider scheduling that very important Bill differently in order to allow time between Stages to facilitate the tabling of amendments.

On a number of occasions I have raised with the Leader the state of adult mental health services in this country and he has been kind enough to be positive in his replies. These services are in crisis. I welcomed the Leader's announcement last week of a debate and his suggestion

that a public consultation could be carried out on the subject of adult mental health services. The Seanad could be used very well in that regard. I wish to highlight an example of what is happening in the mental health services today as we sit here. A doctor on the north side of Dublin referred a patient with mental health issues who required psychiatric attention to Beaumont Hospital. The doctor received a letter from the hospital which states, "With reference to your referral for the above gentleman, please be advised that it would be more suitable for this gentleman to attend his local community mental health team." That is fine and I have no issue with that. However, when he was referred to the community team, a standard letter came back to the GP referring to the patient who is in urgent need of psychiatric care and attention: "I wish to acknowledge receipt of primary care psychology referral for the following client. Due to the moratorium on staff recruitment in Dublin north east, we are regrettably unable to accept the above referral or any further primary care psychology referrals until further notice." I ask if we are really serious about tackling this issue. I have raised the situation in the north east of Dublin where one of the main adult mental health community teams servicing 78,000 people does not even have the proper physical infrastructure and cannot even accommodate its own team. No advice or notice was given to clients that the centres were being moved. I have raised this matter consistently. This is one example of many and no one would agree that this is an acceptable type of care. The HSE is saying to the GP, "Sorry, we cannot help your client due to the moratorium, full stop. Now go away and leave us alone." That is not the way we should treat people. If we are serious about mental health issues and tackling the plague of suicide, that is not the way people should be dealt with. I know the Leader would agree with me on this and I ask him, on the basis of this example and the many others I could give, that we urgently ask the Minister of State at the Department of Health, Deputy Kathleen Lynch, to come to the House for a debate and follow it with public consultation in which Senators could engage with the experts in these areas. The Seanad could do a very good job in that regard.

Senator Aideen Hayden: I remind the House that today is the last day for filing property tax returns online. I note that up to now 1.35 million people have filed returns.

Senator Darragh O'Brien: Were they happy filing them?

Senator Aideen Hayden: Will the Leader ask the Minister for Finance to grant an extra couple of days because older people are finding it somewhat difficult to deal with the returns? I believe that in time this tax will be seen as one of the most progressive introduced by a Government and will bring genuine accountability at local authority level.

(Interruptions).

Senator Aideen Hayden: More importantly, it will put money in the pockets of local authorities.

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

Senator Aideen Hayden: I wish-----

Senator Darragh O'Brien: We will see in 2014 how happy people are with this property tax.

Senator Aideen Hayden: -----we had been able to bring this in before the Opposition had destroyed the economy when it could have been used to replace central taxation.

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Senator Paschal Mooney: We destroyed Portugal and the US too.

An Cathaoirleach: Senator Hayden, without interruption.

Senator Aideen Hayden: On a positive note, I notice that residential property transactions were up by 14% in the first quarter of 2013. As the Leader knows, I have a particular interest in housing. What is interesting is that the number of loans issued fell by 19% and that the market is effectively being taken over by cash buyers at a cost to first-time house buyers. We are also seeing rents rise. What we are seeing - dare I say it - is a repeat of what happened in the middle of the 1990s. Will the Leader arrange for the Minister for the Environment, Community and Local Government to come to the House for a discussion on the issue of the potential crisis in housing?

I raise the issue of the National Maternity Hospital and its recently announced relocation to the St. Vincent's Hospital campus. This is in line with international best practice in the area of maternal care and it was raised a number of times at the Oireachtas Joint Committee on Health and Children hearings on the heads of the protection of life during pregnancy Bill 2013. I would like to bring a salient point to the Leader's attention. The entire cost of this move will be in the region of €150 million. As there are 10,000 births per year in the hospital, in one year, it equates to €15,000 for each child born, in ten years, €1,500 and in 20 years, €700. That is excluding all the other procedures which will take place in this maternity hospital. It beggars belief that those opposite allowed this situation to continue for more than 20 years.

Senator Darragh O'Brien: The Senator is in great form today.

An Cathaoirleach: Are you looking for a debate?

Senator Aideen Hayden: I am. Will the Leader request that the Minister for Health come to the House to set out his plan to improve maternal care services?

Senator Darragh O'Brien: When is free GP care coming in?

Senator Katherine Zappone: I will try to follow that.

I have a question for the Leader on reform but not Seanad reform, as I have made my views very clear on that, or Dáil reform, although we await to hear what the Government is up to in that regard. No doubt we will have a long debate to see whether the people will be promised sufficient Dáil reform to ensure proper governance of the country, including an adequate dispersal of power from the Executive. My question is about taxation reform. I know colleagues are aware of the series of events that have brought the issue of tax avoidance, reform of global tax structure and Ireland's place within it back into the news. Ireland's name has been thrust into the debate on tax avoidance at the G8, with our tax arrangements being singled out by US and UK legislators.

There is massive public confusion on this issue, in particular since the US Senate subcommittee hearings on Apple's tax practices. It testified that it claimed a special deal with us, which the Government rebutted. The video-conferencing over the Atlantic Ocean still has not cleared up these issues. One of my primary concerns, although not my sole concern, relates to the double Irish structure which allows a multinational to incorporate a company here but to ensure its tax residence is elsewhere. That is as clear as I can be in that regard. Is this a shadowy facilitation of tax avoidance for multinationals by Ireland? Are we investment friendly with

our claimed corporate tax rate of 12.5% or are we a tax haven? Will the Government disband the double-Irish tax structure soon, as some of the Sunday newspapers have claimed? We need to know the answers to these questions. We need a public debate that outlines clearly what is going on. I am coming to my question. It is clear from the UK, the USA and Australia that momentum is building for some kind of reform of global tax arrangements. The British Prime Minister, Mr. David Cameron, MP, has pledged to put this reform on the G8 schedule. There will be an action plan presented at the G8 summit mapping out a path to closing loopholes and combating large-scale tax avoidance. Will the Leader invite the Minister for Jobs, Enterprise and Innovation or the Minister for Finance to come to the House prior to the G8 summit in mid-June to debate with us and clarify how Ireland will respond?

Senator Rónán Mullen: This is something of a valedictory address from me at the start of the Seanad week.

Senator John Gilroy: Nothing unusual.

Senator Rónán Mullen: It might be a case of being forgotten but not gone because Senator Norris will take over as group leader from 1 June for two years. Given that the Constitution prescribes that the Dáil could sit for up to seven years after a general election, I have not given up hope of a return. However, I wish Senator Norris well over the next two years.

Perhaps the Leader would agree with me that the question with regard to the Minister, Deputy Shatter, would appear to be as follows. Who waved whom on - who did the waving? Did the garda wave him on or did he wave the garda on?

Senator John Gilroy: The Senator is making this up.

Senator Rónán Mullen: The details of the latest claims are sketchy and it appears to be one person's word against the other's. There is the possibility of arrogance sometimes among elected representatives and I would be very concerned if that led to arrogance when people got into power.

(Interruptions).

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

Senator Rónán Mullen: I was going to say I used to be arrogant but now I am perfect. The issue remains what happened to Deputy Wallace. I continue to find it very troubling that a casual caution, so to speak, found its way up through the ranks of the Garda Síochána and the Garda Commissioner sought to make that comment - whether it be tittle-tattle or otherwise - to the Minister for Justice and Equality and that the Minister for Justice and Equality had the appalling judgment then to use it in a public debate. Being Minister for Justice and Equality is one of those sensitive Ministries that calls for-----

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

Senator Rónán Mullen: ----- extra responsibility on the part of-----

An Cathaoirleach: Is the Senator looking for a debate on the issue?

Senator Rónán Mullen: I would be very happy to have a debate on the issue. Does the Leader believe it might be appropriate for the Minister, Deputy Shatter, to say just a little bit

more -----

Senator John Gilroy: Or the Senator could say a little bit less.

Senator Rónán Mullen: -----because what seems to have gone on is unacceptable regardless of how it is sliced and diced? The Garda Commissioner and the Minister need to make fuller apologies over what happened with Deputy Wallace.

I take this opportunity to pay tribute to Deputy Keaveney, the chairman of the Labour Party for having the courage and independence of mind to make his position on the Government's proposed abortion legislation very clear. I pay tribute to Deputy Buttimer for the way he chaired the hearings of the Oireachtas Joint Committee on Health and Children last week.

An Cathaoirleach: Is the Senator seeking a debate on the issue?

Senator Rónán Mullen: In fact I am because I have been calling for a debate on this legislation. This is my first opportunity to reflect on what happened at those committee hearings.

An Cathaoirleach: The Senator is over time.

Senator Rónán Mullen: I conclude by saying that it was chaired very well, but it was extremely disappointing that we did not, as I predicted, have the opportunity to interrogate the issues in the way that was needed. I was very disappointed that the Chairman of the Oireachtas Joint Committee on Health and Children saw fit to take a very partial approach in his radio interviews,-----

Senator John Gilroy: That is ridiculous.

Senator Rónán Mullen: ----- name checking only supporters of this controversial legislation-----

(Interruptions).

An Cathaoirleach: The Senator is way over time.

Senator Rónán Mullen: -----which, when one examines it, is really quite sick in many respects.

Senator David Norris: On a point of order, with great respect to my esteemed colleague, I believe the title to the legislation to which he referred was quoted inaccurately. There is no question in the title of abortion. It is the protection of life in pregnancy Bill. I believe the record should show that.

An Cathaoirleach: That is not a point of order.

Senator Colm Burke: I thank the Minister for Health for his announcement yesterday of a proposed €150 million investment for the new maternity hospital. Last week in the course of the hearings over the three days contributors raised the lack of support that had been given to the maternity services in recent years and the need for further investment in that area. I very much welcome the Minister's decision to react and respond to the issue. It is time for a debate, as was referred to last week. We have announced a €150 million investment and it is time to examine the overall picture of maternity services across the country. A more planned, rather than piecemeal, approach should be taken. I look forward to debating the issue and the Min-

ister outlining the five year, ten year and 15 year plan for maternity services. That would be a welcome debate to have in the House.

Senator Denis O'Donovan: I raise a matter that is not as important as I would like it to be in this House or the other Chamber, namely, the position in the fishing industry. What surprises me most is that, despite a number of demands made by well organised fishing industry organisations from County Donegal to County Cork, the Minister for Agriculture, Food and the Marine, Deputy Simon Coveney, has refused to meet them in recent months. That is worrying in view of what happens during CAP negotiations when the Minister rightly keeps the farming organisations in the loop. When he goes to the European Union, they are side by side and wear the green jersey. In this instance, however, officials from the Department are in Brussels negotiating a Common Fisheries Policy, CFP, and the Irish fishermen's organisations have been kept out of the loop. It is mind-boggling. They include the Irish South and West Fish Producers Organisation which is Munster-based, the Killybegs Fishermen's Organisation, the Irish Fish Producers Organisation and the umbrella group, the Federation of Irish Fishermen, FIF. It has come to my notice in the past few days that, despite a number of requests, none of the organisations has been met. It is critically important that the Minister, in a combined effort while the future of the fishing industry is being decided in the Common Fisheries Policy negotiations in the European Union which dictates the amount of fish to be caught and the living fishermen will earn in the next decade, meet these groups as a matter of urgency. I do not like to do this willy-nilly, but it is a serious issue because beleaguered fishermen have their backs to the wall. They are barely eking out a living and are being over-policed by the Sea-Fisheries Protection Authority under the regulations and laws introduced by a previous Government, in which I was involved, to which I must confess. I propose an amendment to the Order of Business that the Minister come to the House as a matter of urgency to tell us why he is not meeting the fishermen's organisations to ensure he will take their views on board when negotiating in Brussels. It is unfair that he is working on behalf of fishermen with one hand tied behind his back and ignoring the fishermen's organisations and treating them as second-class citizens. It is very unfair and not good enough.

Senator Marie Moloney: I welcome the announcement of the relocation and upgrading of the National Maternity Hospital. On a number of occasions I have asked for a question and answer session with the Minister for Health. We would like to raise a number of issues and the opportunity never arises when dealing with legislation. As Senator Aideen Hayden pointed out, today is the closing date for registration for local property tax. I would like the Minister for Health to agree to allow property tax as an expense when assessing eligibility for a medical card. I would like him to come to the House and provide us with the detail on the number of applicants under the three year leave of absence scheme in the health service, tell us if all applicants will be facilitated and whether there will be cover for the people concerned during their leave of absence. I would appreciate it if the Leader asked the Minister to come to the House for a question and answer session.

Senator David Norris: I second Senator Denis O'Donovan's proposed amendment to the Order of Business.

I was pleasantly surprised to hear on "Drivetime" about the launch of Democracy Now, which I warmly welcome.

3 o'clock

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A number of current members of this House are part of Democracy Matters, as well as our former colleague, Joe O'Toole. I welcome it warmly and hope it plays a vital role. However, I was a little disturbed to hear a commentator from RTE state authoritatively that Senators had never shown the slightest interest in the reform of this House. That is absolutely untrue. We have consistently done so. This is true not only of individuals on this side of the House, but also of members of the political parties. However, every single time the Government of the day has blocked us. Let us be clear - the blocking agency was not the Senate, individual Senators or parties within the Senate, but Governments of all complexions.

I was mentioned in the aforementioned report and it was argued that my principal contribution was outside this House. I do not accept that for one second. Apart from anything else, I was involved with others in lobbying for a change to the criminal law within this House, which gave great added significance to my case. I introduced the first civil partnership Bill. I got the *guardian ad litem* issue dealt with and the foreign affairs committee going. Every single Senator on the Independent benches and many from the various political parties could lay claim to equal or greater contributions individually. I do not accept that we did nothing.

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

Senator David Norris: I ask that we continue to have a rolling debate on this very important subject in the context of Irish democracy.

We must also, in this House, review our heritage. I say so because, for example, Aldborough House, a very fine 18th century building, is in a disastrous condition and is being vandalised consistently. The taxpayer, every so often, has to move in and spend €100,000 putting the roof back on or reinstating the lead. This should be the responsibility of the Bank of Ireland but it has disabled the various companies involved and put them into receivership.

An Cathaoirleach: That is a matter for an Adjournment debate.

Senator David Norris: I thank the Cathaoirleach for that suggestion. I will raise it in that context.

Finally, I wish to refer to the new Luas line, which will traverse Nassau Street and Dawson Street. I ask the Leader to contact the Minister for Transport, Tourism and Sport to find out if it is true that the ancient site, St. Patrick's Well, which is accessible through the grounds of Trinity College, may be filled in. That would be very regrettable if it is true.

Senator Jimmy Harte: In the context of Senator Hayden's contribution regarding the deadline for the property tax, I heard a councillor this morning on the "Today with Pat Kenny" programme say that there is an elite in this country who do not pay tax and who are very well off. They are the people who own houses worth anywhere between €2 million and €4 million whom she claims to be protecting. Such people can well afford it but are dodging the tax because they can hide assets in various ways. We need a culture in this country where people who are well off pay their taxes. Those same people are being protected by those who are claiming to be protecting working class people. The anti-household charge campaigners are looking after the wealthy in the country because it is they who have their wealth in their properties. It is bizarre for someone to be a member of the Socialist Party in Ireland but to be against a property tax for houses that are worth millions of euro.

I ask the Leader to arrange for a debate on the passport service. Members of this and the

other House will undoubtedly receive phone calls over the summer from people whose passports are out of date. I suggest that we discuss a more efficient way to issue passports. We get renewal reminders from the motor tax office a month before our motor tax is due. Indeed, if one pays one's motor tax four times per year, one gets four reminders. I do not see why we cannot put a similar reminder system in place for passports, particularly as passports are generally only renewed once every five or ten years.

We should also look at the possibility of staggering passport renewals. If my passport is out of date in July, that is probably because I went on holidays in July. It will be due to be renewed in July, as is the case with an enormous number of passports. If some July renewals could be pushed back to November, for example, it would allow the passport service to spread renewals more evenly throughout the year. At present, the bulk of renewals are in the summer, in January and at Easter. I ask the Leader to arrange a debate on the passport service.

Senator David Cullinane: I again call for a debate in the House on taxation. We will have a budget in October this year and it would be welcome and worthwhile for this House to have a full debate on taxation in all its facets.

The issue of corporation tax has been raised on a number of occasions in the House over the past number of weeks. It would be good for us to debate the overall taxation system, including corporate taxes, indirect taxes such as the property tax and proposals for fair and progressive taxation.

I will avoid responding directly to Senator Hayden's enthusiastic welcome for the progressive property tax. The reality is many families will not give the tax an enthusiastic welcome because they are genuinely struggling. Whatever about the cut and thrust of politics in the House, families arrive into our clinics every week who find it hard to pay the mortgage and bills and to purchase groceries, food and clothes for their children. They do not have the money to pay more taxes. They have found that the Government has brought forward draconian mechanisms to take money from them and even if they do not or cannot pay, it will be taken from their wages, social welfare payments, bank accounts or through whatever other means the Government can take it. I want a debate on progressive taxation. While the Labour Party might give an enthusiastic welcome to a property tax that is not linked to ability to pay and through which not one more cent will be delivered to a local authority in additional funding-----

An Cathaoirleach: Has the Senator a question for the Leader?

Senator David Cullinane: Would the Leader welcome a debate on progressive taxation with higher taxes for those who earn high incomes, wealth taxes and the need to deal with the legacy of tax shelters and tax breaks in place both for multinationals and individuals in this State? Let us have a holistic debate on taxation in the lead up to the budget in October.

Senator Michael D'Arcy: I would also like to raise a matter relating to property taxes. On 1 July, the Revenue Commissioners will take over the collection of the non-principal private residence tax and arrears relating to it. The previous Government introduced this tax a number of years ago. Initially it was €100 and it was then doubled to €200 annually. If people have not taken the opportunity to pay this, the amount owed, including arrears, is approximately €3,500. On 1 July, the Revenue will have the authority to take that money from their bank accounts, pay and social welfare payments. These people have the opportunity over the next four and a half weeks to arrange a payments schedule with their local authority that meets their requirement

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to pay this tax. Unlike my Sinn Féin colleagues, I believe all taxes should be paid and not just some.

Senator Marc MacSharry: I support Senator Hayden's comments on the issue of the Irish Bankers Federation announcement earlier that there has been a 14% increase in property transactions. I share her concerns that this should be interpreted as a boost to the property market. Those who are sufficiently well heeled are making cash purchases and hoovering up property. With the exception of the Dublin area, people can buy property around the country at 80% less than the cost of building it.

The IBF's press release adopted a celebratory tone about mortgage approvals. I have personal experience of approvals being issued for, say, €100,000 and then being revised downwards before draw down. The banks say they are sorry but considering the impact of the recent budget or fall in market prices or some other excuse, they are only prepared to lend €80,000. The figures for draw down compared with those for approvals are much different and the reality is banks are manipulating the figures. They appear before Oireachtas committees and issue press releases to say how much they have approved or loaned but that the money was not drawn down. If somebody wants €10,000 to buy a car and the banks are only prepared to give him €7,000, the loan will not be drawn down. We need to continually hold the banks to account on this issue.

I agree wholeheartedly with Senator Norris regarding the recently formed Democracy Matters group. The media coverage of it yesterday was certainly consistent with the Government's policy to ensure the Seanad's abolition. I refer specifically to the comment that it is a wonder that Senators have not reformed themselves. I actually called the show in question, not to go on air but to inform the researchers that if they took the time to consider the 12 reports into Seanad reform and determine who contributed most to them, they would note it was the Senators who did so. All I have known are not just enthusiasts of reform but proposers of radical reform. The systemic plan, involving the Government, the Civil Service and the media, to manipulate a scenario that ensures we do not just play the man in political terms but also express determination to dig up the pitch, as it were, does not serve democracy well. The media, if they are interested in covering this House, would do well to do so consistently and inform themselves of what does take place and of the views of the Senators, current and former, rather than pontificate according to populist demands to the listeners of a particular radio show.

Senator John Kelly: Unfortunately, I did not get to contribute when there was a delegation in the Visitors' Gallery, perhaps ten minutes ago, from a place called Downey in California. The delegation is present for the twinning mission involving my county, Roscommon. I extend a warm welcome to the delegates.

With regard to the non-delivery of a service by the HSE to somebody who is critically in need of it, as referred to by Senator O'Brien, it is scandalous that a moratorium on recruitment can deprive someone of a health service that is needed. Some months ago, a delegation from the psychiatric services in Roscommon was present to meet the Minister regarding various issues. It is quite obvious that they are stretched to the limit. The Minister of State, Deputy Kathleen Lynch, is ready to announce an investment in the psychiatric services. When the money is invested, it will be important to see issues such as that raised by Senator O'Brien dealt with. It should not be a case of spin on the part of the HSE to the effect that the money has been invested. I have seen such spin before. Prior to the last budget, we were told the number of home help hours would be returned to the level that obtained before the cuts of 2012. It appears this

has not happened. I raised this in the House last week and sought an Adjournment debate for today. I now seek one for tomorrow and hope the Cathaoirleach will allow it.

Senator Sean D. Barrett: I thank the Leader for having Minister of State Deputy Brian Hayes in the House last week to deal with the issue of illegal washing of diesel. There was a very good debate and it included the Louth Senators. Senators D'Arcy, Brennan and Moran participated. At the end of the debate, the Minister of State said the new dye was really the last attempt as part of the new procedures to address the illegality. In the meantime, we have had the invasion of the Frank Aiken Army barracks in Dundalk and the hijacking of a vehicle. It is now time for the Minister of State to find an alternative way of subsidising agriculture, as he was hinting last week. The events to which I refer involve criminality of such a high level that it places the security of the State and Army barracks at risk. It is unacceptable that it should continue.

Let me refer to the proposal attributed to the Taoiseach in today's newspaper that the Seanad is to be replaced by "a high-powered Dáil committee", "a mini-Seanad with outside experts", and a "legislative committee". This has been suggested to him by a "well-known public servant". The idea is being kicked around. We are to put a new structure in place to effectively replace the Seanad. The structure is to be modelled on the fiscal council. In March, we proposed in this House an amendment to the Finance Act so the Irish Fiscal Advisory Council might advise us. In reply, the Minister said:

As for the suggestion that the Irish Fiscal Advisory Council would carry out an assessment of the tax credit, such an assessment would significantly expand the mandate of the fiscal council. It would require a much larger resource in terms of both staff and budgetary allocation. It would be likely to impede the fulfilment of its core functions. I am reluctant to move in that direction also.

Therefore, a body that was unfit to advise it two months ago will now take over the functions of the Seanad. We need to impress on the Government the work we do here. The experts are in this House and they are elected. The fact that debates are ignored in the media does not mean they are not important. Much of the article would not have been written if the debate on the Finance Act had been listened to by anyone in the media. We are performing our task, regardless of whether the media like it. However, the Taoiseach should be aware of the very important decision made by the Supreme Court on 9 May in which it stated: "There can be little doubt therefore that Part III of the 1946 [Industrial Relations] Act raises serious issues ... What appears to be law is being made by persons other than the Oireachtas". No new committee proposed by the Taoiseach can usurp the functions of the Oireachtas.

Senator David Norris: Well said.

Senator Lorraine Higgins: I express my serious concern at the news that a senior official in the National Asset Management Agency, NAMA, who was responsible for managing some of the most indebted borrowers with the banks in this country has taken up a new job with a London based property investment firm just weeks after leaving his position with the agency. To have a senior NAMA official taking a position in a private property company raises serious questions about the judgment of the board of NAMA in allowing this to happen. It is clear that the individual in question would have had access to all property and loan values during his tenure with the agency and that he will be in a position to provide this information for a specific property company in the United Kingdom, in which he is now a partner. Mr. Paul Hennigan, in

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his position as a senior official in NAMA-----

An Cathaoirleach: We do not name people in the House who are not here to defend themselves.

Senator Lorraine Higgins: This is a matter that was reported in a Sunday newspaper; therefore, it is very much in the public-----

Senator Marc MacSharry: It is in the public interest.

Senator Brian Ó Domhnaill: It has been reported in the media.

An Cathaoirleach: That does not make a difference. They are not here to defend themselves and I ask Senator Lorraine Higgins to refrain from naming people in the House.

Senator Lorraine Higgins: People are familiar with the individual in question. However, the point is that he was-----

An Cathaoirleach: There is privilege attached to the Chamber which makes it different. I ask the Senator to refrain from mentioning people in the House.

Senator Lorraine Higgins: I will, a Chathaoirligh, and apologise for doing so. The individual in question will have had access to commercially sensitive information which could potentially benefit him to the detriment of the taxpayer in his new role in the business in which he is a partner. We must do something about this. It is outrageous that there is still an inside track culture in Ireland. We must call on the Minister for Finance to investigate this latest scandal in financial services. I also call on the NAMA board to immediately review all existing employment contracts with its employees, particularly senior officials, to ensure there is a bar on them taking up employment in private property or investment companies for a two year period. That is the least the taxpayer deserves after all these builders were bailed out by the banks and the bad loans have ended up in NAMA. It is a disgrace that this has happened and we must do something about it.

Senator Marie Moloney: Well said.

Senator Ned O'Sullivan: The debate on the future of the House is coming along quite nicely. Senator Sean D. Barrett has stolen a great deal of my thunder, but I commend the group which is essentially a disinterested one and which has the future of democracy at heart. I also commend Senators Katherine Zappone and Feargal Quinn for the motion that received the full support of the House and sparked off the debate.

It has been said that there is a democratic deficit in the Seanad. We all regret the fact that the election of Members of the Seanad does not involve universal suffrage. However, it is not the fault of the Seanad that this has continued and it is worth reflecting on this. To be elected from the university panel one must secure a quota that is in the thousands. Being elected by county councillors, as I was, is very difficult and testing. One is dealing with an electorate that is highly sophisticated and comprises elected men and women, each of whom represents an average of 2,000 citizens. If there is a democratic deficit in that regard, how I wept when I saw what the Taoiseach was proposing, which Senator Sean D. Barrett has so eloquently described. Instead of a Seanad, there will be a group of people appointed by the Taoiseach of the day. In the past most Taoisigh were quite happy to appoint 11 Senators. It appears that the Taoiseach wishes to appoint his own Seanad, lock, stock and barrel, which would review and oversee the

work of the Dáil.

An Cathaoirleach: Is the Senator seeking a debate on the issue?

Senator Ned O’Sullivan: I am; I also seek a debate on the cost of the proposal. There has been talk about the cost of running the Seanad, but this agency would, apparently, have a full secretariat and backup. Where would be the saving in this proposal? It beggars belief that the Taoiseach thinks he can appoint his own bureau to replace what is, with all its faults, a democratically elected institution. I call for a debate on that. The Taoiseach needs to reflect very seriously on what he is doing to democracy in this country.

Senator Mary Moran: I have always respected both sides of the argument in the forthcoming Bill on legislation for the X case, namely, the protection of life during pregnancy Bill 2013. I have listened very carefully to and have attended briefings from those on both sides of the House. I have thought long and hard about it.

As a practising Catholic and resident organist in my local church on Sundays, I was shocked and disappointed by what happened recently. I understand for the next six weeks pro-life people will be given the opportunity to speak from the pulpit. We have had calls from religious people to keep politics out of religion. I ask that this debate be fair and equal. Leaflets were handed out at mass last Sunday, which stated right now our Government proposes dangerous and unjust abortion legislation. That is an untrue statement. If people are being given the opportunity to stand up and give one side of the argument, I propose that the other side be given equal time.

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

Senator Mary Moran: I say this as somebody who has supported life and listened to both sides of the debate.

An Cathaoirleach: Do you have a question for the Leader? There have been hearings on the matter and Bill has yet to be published.

Senator Thomas Byrne: The Senator should talk to the parish priest.

An Cathaoirleach: Senator Moran, without interruption.

Senator Thomas Byrne: We will have a debate on this.

Senator Mary Moran: I am asking that when the debate-----

Senator Brian Ó Domhnaill: Does the Senator want to silence the church?

Senator Mary Moran: I do not want to silence the church.

Senator David Norris: There is more than one church in this country.

Senator Mary Moran: I ask that the church give both sides-----

An Cathaoirleach: Senator, do you have a question for the Leader?

Senator Brian Ó Domhnaill: In other words, be quiet.

An Cathaoirleach: Senator, through the Chair. Do you have a question for the Leader?

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Senator Mary Moran: I ask that the debate be fair and equal. The Primate of All Ireland has said the life of the child is sacrosanct, with which I agree.

An Cathaoirleach: You are way over time.

Senator Mary Moran: Yet, at the same time that same person can be present in a room where a child was abused, that was known and nothing was done about it. The abuse was not reported. I ask that both sides be given equal opportunity and time to speak on the matter.

Senator Jim Walsh: On a point of order, I do not believe the Senator intended to say what she did, but she should retract it. What she said is absolutely incorrect and is defamatory.

An Cathaoirleach: I did not hear what she said. Resume your seat.

Senator Jim Walsh: It will be on the record. I do not think she intended to say it.

Senator David Norris: Could the Senator enlighten us as to how he knows what another person intended to say?

An Cathaoirleach: I call on Senator Quinn.

Senator Feargal Quinn: I ask the Leader to consider having a debate on the skills shortage in Ireland. Today the Joint Committee on Jobs, Enterprise and Innovation was visited by FIT, the fast-track for skills in high-tech businesses organisation, which made a presentation on creating a better Ireland by competing with skills. It was interesting to note the problems we have created for ourselves.

There are 4,500 job vacancies in Ireland, yet 400,000 people are unemployed. The reason for that is that we have not educated our people well enough in the skills that are now needed. It seems farcical and is something we should debate in the House. The Minister for Education and Skills, Deputy Quinn, will come before the House tomorrow for a different debate, which is not the occasion for such a debate. It would be a worthy debate to have. There is an item in a newspaper today about an Irish company set up by an Irish man which employs, I understand, 40 people. It has moved to Poland because the owner could not get the necessary skills in Ireland for his high-tech business. Surely this should not be allowed to happen. The presentation to the joint committee points out that the problem is arising within the education system, usually at second level. We should be able to do something about it. The matter is worthy of debate in this House in the very near future.

Senator Michael Mullins: I reiterate my call made last week for a discussion with the Tánaiste and Minister for Foreign Affairs and Trade of the situation in Syria, particularly in the light of the failure of European Union Foreign Ministers to agree a unanimous position on the supply of arms to rebels in that country. There will be a window of opportunity in the coming months to address the situation. In this regard, I urge support for the United States Secretary of State, Senator John Kerry, in his attempts to bring about peace talks. This House must support the Tánaiste as he reiterates the position of this country and the European Union on the conflict in Syria. Our debate with the Tánaiste should include a discussion of the report published today by Amnesty International, The State of the World's Human Rights, which shows that 42 million people worldwide have been forcefully displaced by conflict and persecution, of whom 5.5 million are Syrians. There is a major human rights crisis throughout the world which this House should debate as a matter of urgency.

I welcome the announcement today of impressive tourism figures for the first quarter of the year. I support the call made by the Restaurants Association of Ireland for the maintenance of the 9% VAT rate for restaurants and other key sectors of the tourism industry. This particular taxation measure is very productive and having the desired effect in creating additional jobs. I call on the Minister for Jobs, Enterprise and Innovation, Deputy Richard Bruton, to ensure it is retained in the forthcoming budget.

Senator Trevor Ó Clochartaigh: Ba mhaith liom i dtús báire comhghairdeas a dhéanamh le gach duine a bhfuil baint acu le Seachtain Bróid an Lucht Siúil. Having attended a celebration yesterday in Galway to mark the beginning of Traveller Pride Week I congratulate everybody involved in this great celebration of culture, story, song and history. It would be useful to have a debate in the House on multiculturalism in Ireland today. We have an increasingly diverse society of people from different backgrounds, including the Traveller community.

I was taken aback by Senator Aideen Hayden's comments on the property tax. Members may not be aware that a farmer in Ballinasloe is facing eviction from his farm because a sub-prime lender in the United States is putting on the pressure. It is appalling and I call on the relevant Minister to intervene to keep this farmer on his land.

Also in Galway, four turf cutters are in court today to answer charges which arose last year. A number of similar cases are pending, but no clarity whatsoever has been provided for turf cutters as to where they stand in terms of their capacity to cut turf this year. During a visit to the European Commission a number of months ago I was assured by the Deputy Director General for the Environment, Mr. Alan Seatter, that the solution to this issue would have to take cognisance of the proposals made by the Turf Cutters and Contractors Association. I have spoken to representatives of that association on a regular basis and they tell me that absolutely no meaningful consultation has taken place between them and the Department of the Environment, Community and Local Government. The turf-cutting season is upon us and would have started much sooner if the weather had been better. We are heading into a major conflict on this issue. The Minister must come into the House for a full debate on the future of turf cutting in Ireland.

Senator Fidelma Healy Eames: I am struck by a report in today's *Irish Independent* detailing an industry finding that information technology graduates emerging from our third level institutions are not entirely fit for purpose. Employers found that their education was too theory based, did not include sufficient practical experience and that some of the computer languages they were learning were out of date. The colleges must take note of these findings. As Senator Feargal Quinn observed, we must have the right skills base for the jobs of today and tomorrow.

I understand a Cabinet decision is imminent on the restructuring of third level institutions. I expect that they will be restructured along lines of excellence because, unless we have specialist, up-to-date colleges with the right staff, etc., we are not in the real world today. I call on the Leader to find out for us when that decision will be made and when the report will be available, because we need to debate it here. I hope that will happen this side of the summer.

I wish to make one final point and I beg the indulgence of the Cathaoirleach. It is very important, on the issue of abortion and the right to life, that freedom of expression is facilitated on both sides, including religious expression. I believe we have gone so far but we are not in a healthy place religion-wise in this country. We know the church, particularly the Catholic Church, has a great deal to make amends for.

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An Cathaoirleach: Are you looking for a debate on this issue?

Senator Fidelma Healy Eames: I am making a point and then finishing with a question. Basically, it is in a period of renewal. I believe it is right that we allow the Catholic Church to express its view and facilitate that expression on the issue of life, which is sacrosanct, and its failings on that.

An Cathaoirleach: You are way over time, Senator.

Senator Fidelma Healy Eames: It is more than fitting at this point.

Senator Brian Ó Domhnaill: I support the call by Senator O'Donovan for the Minister for Agriculture, Food and the Marine to engage with the fishing industry and, of course, on the wider issue of the need for the Government to appoint a Minister of State at the Department of Agriculture, Food and the Marine, given that it has now been more than five months since that post was vacated through the tragic death of our late colleague, the former Minister of State and Deputy, Shane McEntee. It may be that there is no one capable of replacing Mr. McEntee, who was an excellent Minister of State. However, the Minister for Agriculture, Food and the Marine, Deputy Coveney, is currently dealing with the Common Agricultural Policy, the Common Fisheries Policy, the fodder crisis, which he has not dealt with at all well, and, of course, the horsemeat controversy, which was not dealt with either. We need the appointment of a Minister of State. I am not saying it, but some are arguing that the reason the Taoiseach is not appointing a Minister of State is that he is waving a carrot to backbenchers before the abortion vote. That is disgraceful and amounts to using a ministerial position to gain and to garner support for legislation that I do not agree with.

An Cathaoirleach: Senator, have you a question for the Leader?

Senator Brian Ó Domhnaill: There is an issue of debate. I do not believe any Member-----

Senator David Norris: It does not say much for a person's morality if he is prepared to sacrifice what he believes in for a job.

Senator Brian Ó Domhnaill: I will speak to the Chair.

An Cathaoirleach: Senator Ó Domhnaill without interruption.

Senator Brian Ó Domhnaill: I do not believe any Member should dictate on silencing debate. Whether it comes from the church or anyone else outside this Chamber, everyone has the right to freedom of expression. I believe that on an issue of moral conscience every element of debate should be garnered, fostered and listened to. Who are we, as Senators, to tell any church or any religious organisation that its views do not count?

An Cathaoirleach: Senator, are you looking for debate on this issue?

(Interruptions).

Senator Mary Moran: I wish to say, on a point of order-----

An Cathaoirleach: What is your point of order?

Senator Mary Moran: What I called for was an equal debate-----

Senator Darragh O'Brien: That is not a point of order.

Senator Mary Moran: It should involve both sides.

An Cathaoirleach: That is not point of order. I call Senator Noone, please.

(Interruptions).

Senator Catherine Noone: I am constantly raising this issue but I will raise it again. I was quite taken aback by a briefing held in the Houses last week by various experts in the area of alcohol-related illnesses. It is now the case that such illnesses claim the lives of between three and seven people daily. Apart from the obvious human tragedy, there is also a great social and economic cost to the country, with an estimated cost in monetary terms of €3.7 billion annually. Report after report has indicated the path we are on. The national substance misuse strategy steering group has shown that alcohol is a significant factor in suicide, sexual and physical assault and murder. Allied to this is the serious rise in liver damage, particularly, sadly, among young people. The health authorities have acknowledged their responsibility to inform the Oireachtas and I believe we are quite informed at this stage. It is beyond time for us to tackle this issue in a serious way. Lifestyle issues and the role of alcohol in the lives of young people must be seriously examined. We are all aware that the smoking and drinking driving bans faced strong-----

An Cathaoirleach: Have you a question for the leader, Senator?

Senator Catherine Noone: I will get to the question in one moment, if you will bear with me. Those proposals faced strong opposition initially but no one can deny the positive effects that both those bans have had. In fact, a recent study by Brunel University in London revealed that-----

An Cathaoirleach: Senator, have you a question for the Leader?

Senator Catherine Noone: It revealed that 4,000 lives are estimated to have been saved in the country by the introduction of the smoking ban in 2004.

An Cathaoirleach: Is the Senator looking for a debate on the issue?

Senator Catherine Noone: I am looking for a debate on this matter like we have had previously. Will the Leader ask the Minister of State at the Department of Health, Deputy White, to attend the House to discuss what is happening and whether the Government will implement the steering group's suggestions contained in its report?

I agree with Senator Mullins on retaining the VAT rate of 9% for the restaurant industry.

An Cathaoirleach: The Senator is over time. I call on Senator Walsh.

Senator Catherine Noone: It has been significantly beneficial to the sector.

An Cathaoirleach: The Senator is way over time. Please respect the Chair. I have called Senator Walsh.

Senator Catherine Noone: In fairness, I am not that much over time.

Senator Darragh O'Brien: It is only Tuesday. We will have plenty of time tomorrow.

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Senator Jim Walsh: Last week I raised with the Leader that the Minister for Justice and Equality, Deputy Shatter, should attend the House to discuss the current issues surrounding him. The main issue I am concerned about is not so much the peripheral issues in the media but the focus that the chief police officer in the country gave politically sensitive information to the Minister for Justice and Equality. Neither the Minister nor the Garda Commissioner has made any statement as to how that arose and why it happened. It raises serious questions about both the Garda Commissioner and the Minister. I invite both of them to make a statement to clarify the situation. It is getting to the stage that both men will need to reflect on their positions.

Senator Higgins made a very important intervention on the Order of Business earlier. I too read the recent newspaper report on the National Asset Management Agency, NAMA, and I am concerned that senior highly-paid executives in the agency are moving to more lucrative positions because the private sector sees gains for itself to be made. If they are made, they could well be made at the expense of the taxpayer. NAMA is fundamental to the recovery of our property market and is also important to our fiscal recovery. A significant investment has been made in NAMA. If it makes significant losses, these will impact on taxpayers who are already carrying a burden they should not be. Will the Minister for Finance be brought into the House to discuss what protocols are in place with regard to people leaving NAMA and to inhibit NAMA from dealing with these individuals and the companies they subsequently join with regard to its property portfolio. It is time markers were put down. If it is not dealt with, down the line we could have major scandals and major losses to NAMA which I do not want to see happen.

Senator Paschal Mooney: I share the concerns raised by Senator Quinn and also referred to by Senator Healy Eames. What Senator Quinn raised is fundamental to the Government's core policy. Will the Leader consider asking the Minister for Jobs, Enterprise and Innovation, Deputy Bruton, to come to the House to discuss the whole area of competitiveness in the context that, on the one hand, there are several thousand jobs available and, on the other, we have a stubbornly high unemployment rate despite all the job creation initiatives the Government has launched, relaunched and relaunched again over the past two years? It seems now, on foot of a comment made in the newspapers at the weekend, that there is a need to shift away from attracting high-tech industries to attracting more manufacturing industries. This happened before in the 1990s and was one of the catalysts for growth then, a measure introduced by the much-maligned Government of the time. There needs to be some refocus on this area and it would be interesting to hear the Government's position on this.

A week does not go by without some article in the newspapers about the number of jobs available but that there are not enough Irish people to fill them. There was a reference to a young entrepreneur from Ireland who has now relocated to Poland. If a Polish graduate has sufficient skills to fulfil these job requirements, how come an Irish graduate cannot fulfil them here? It is a fundamental question that needs to be addressed.

When does the Leader intend to introduce motion No. 35 on the Order Paper, of which he has taken note? This deals with the report of the Joint Committee on Transport and Communications on promoting a sustainable future for the post office network, which was laid before the Seanad on 26 March. I suggest to the Leader that he does more than just note it. This is a fundamental issue that needs to be debated. It would perhaps allow an opportunity for the Leader to fill a useful hour or two in the schedule. Perhaps the Leader might be able to attract one of the Ministers of State into the House, if they can leave their EU duties for an hour to facilitate a debate here on this important issue.

Senator Maurice Cummins: Senator Darragh O'Brien asked why all Stages of the Non-Use of Motor Vehicles Bill 2013 are being taken in the House today. The Bill went through the other House very quickly because no amendments to it were tabled on Committee or Report Stages.

Senator Darragh O'Brien: That is fair.

Senator Maurice Cummins: Perhaps the Senator is asking me to divide up our consideration of the Bill, rather than doing it all on one day. I am not in the practice of organising Committee and Report Stages on the same day. If the Senator is prepared to accept what I have proposed, I think the Bill will go through in a reasonable amount of time without much hassle from any side.

Senator Darragh O'Brien: That is fine.

Senator Maurice Cummins: I ask the Senator to bear with me on that one.

Senator Darragh O'Brien: Sure.

Senator Maurice Cummins: The Senator also mentioned the proposal to take all Stages of the Financial Emergency Measures in the Public Interest Bill on Thursday. I am proposing that we take Second Stage between 2 p.m. and 5 p.m. on that day and that we take a short break before taking Committee and Report Stages. We might need to split that up again. I understand that approximately 80 amendments are to be tabled on Committee Stage. I was not aware of that when we were setting the agenda. If we are running too late on Thursday night into Friday morning, we can consider the possibility of meeting at another time, if necessary. I understand the Minister is very anxious for this Bill to be dealt with this week. We will endeavour to facilitate the Minister and the House without rushing the legislation through the House. We can consider dealing with Report Stage of that Bill on Friday, if necessary. I have an open mind on the matter. We will probably know more about it on Thursday.

I note what Senator O'Brien said about my suggestion that a public consultation on adult mental health services be carried out. I will endeavour to bring the Minister of State, Deputy Kathleen Lynch, to the House. We will either have one or the other. We will not have both. It is a very important issue.

Senator Hayden raised a number of issues, including the property tax deadline. I remind those who do not have a computer or cannot pay online that Revenue can be contacted and arrangements made at 1890 200 255. I note what the Senator said about the housing market. She also called on the Minister for Health to come in and outline his plans for improving maternal health care. The same request was made by Senator Colm Burke. I will try to bring the Minister, Deputy Reilly, to the House at an early stage to set out his plans.

Senators Zappone and Cullinane called on the Minister for Jobs, Enterprise and Innovation or the Minister for Finance to come to the House for a debate on taxation reform. I will certainly request their presence. I would like to reiterate what I said on this issue last week. A number of independent studies have confirmed that the effective rate of corporation tax in Ireland is very close to the headline standard rate of 12.5%. A report produced by PricewaterhouseCoopers and the World Bank showed that there is an effective rate of 11.9% in Ireland. The European Commission produced a report earlier this year which found that this country's effective rate is 14.4%. The extremely low figures for Ireland's effective rate that have been

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quoted are all based on the same flawed premise - they are running together the profits earned by group companies in Ireland and other jurisdictions and incorrectly suggesting that the Irish tax does or should apply to both. The figures are reached by dividing the amount of Irish tax paid by the total profit figure, which includes the substantial profits made by companies that are not tax-resident in Ireland.

Senator David Cullinane: That is the problem.

Senator Maurice Cummins: That is the situation as outlined by the Government. I will endeavour to have one of the Ministers come to the House to debate that issue. As Senator Zapone mentioned, the IDA and the Government will be responding to the erroneous comments that were made by a US Senate sub-committee.

With regard to Senator Mullen's comments, I did not think the Independents had leaders but we will certainly welcome Senator Norris as leader of the group.

Senator David Norris: First among equals.

Senator Maurice Cummins: With regard to the Minister for Justice and Equality, a vote of no confidence was tabled by the Fianna Fáil Members in this House only a month ago-----

Senator Darragh O'Brien: It certainly was.

Senator Maurice Cummins: -----so they were ahead of their counterparts in the other House.

Senator Darragh O'Brien: Yes, we were.

Senator Maurice Cummins: There seems to be a concerted effort by Fianna Fáil to have-----

Senator Darragh O'Brien: It is more than a month ago.

An Cathaoirleach: The Leader, without interruption.

Senator Maurice Cummins: There seems to be an effort by Fianna Fáil to have a go at this Minister-----

Senator Darragh O'Brien: He gives us a lot of opportunities.

Senator Paschal Mooney: I hope he turns up.

Senator Marc MacSharry: I suppose it takes the pressure off the Minister, Deputy James Reilly.

An Cathaoirleach: The Leader, without interruption.

Senator Maurice Cummins: Not alone do they want to get rid of the Minister for Justice and Equality, but Senator Walsh mentioned that he is now questioning the ability of the Garda Commissioner to carry out his duties. They want to get rid of everybody, I suppose. That is their own viewpoint. The Minister will certainly respond to those issues in the other House.

With regard to the point raised by Senator O'Donovan, the Minister, Deputy Coveney, has had major success in the Common Fisheries Policy negotiations. This success has been ac-

knowledge by all and he has been complimented on numerous occasions in this House on the issue of discards. He has come into this House and is in constant contact with fisheries organisations throughout the country.

With regard to the comment that fishermen are being treated as second class citizens by this Government, I reject that totally. It was the Senator's own Government that made criminals out of fishermen through legislation which it brought into the House, and others are trying to redress that situation through a Private Members' Bill.

Senator Brian Ó Domhnaill: I hope the Senator supports the Bill we bring in.

Senator Maurice Cummins: The truth is bitter.

Senator Brian Ó Domhnaill: The Government should put its money where its mouth is.

An Cathaoirleach: The Leader, without interruption.

Senator Maurice Cummins: Fianna Fáil is trying to address a situation it created, is that it? Very good. That is what we are trying to do all the time.

Senator Trevor Ó Clochartaigh: The Government promised to repeal it.

Senator Maurice Cummins: Senator Moloney referred to questions for the Minister for Health. If she could let me know the questions, I will pass them on to the Minister. Otherwise, a Member of the other House can table a question on those matters which she raised. I will certainly assist in any way possible.

Senator Norris raised the issue of the Seanad referendum Bill. I can assure the Senator we will allow as much time as is necessary in this House to discuss that Bill when it comes before us. I understand that Bill will be coming to us in mid-June, if not before it. With regard to the right of way at St. Patrick's Well, if the Senator can give me that question in writing, I will certainly forward it to the relevant Minister, Deputy Varadkar.

Senator Harte spoke in regard to the issuing of reminders to people to renew their passports. I will certainly pass this on to the Minister for Foreign Affairs and Trade. It is a practice which, as the Senator rightly said, happens in regard to motor taxation and it could also be done with regard to passports.

Senator Michael D'Arcy spoke on the household charge and urged people to pay their local authorities before 1 July or major penalties will click in. It is a very valid point. People should be advised they will face further penalties if that charge is not paid by July and, eventually, it will be taken from whatever is their source of income by the Revenue. I note Senator MacSharry's points on the Seanad, in particular the media coverage of it, about which I agree with him.

With regard Senator Kelly's point, we will have that debate on mental health services. There has been investment in mental health services in the past year or so. I am sure the Minister of State, Deputy Lynch, will come to the House, as I said to Senator Darragh O'Brien.

In response to the point made by Senator Sean D. Barrett, I agree that we had a very good debate in the House on the issue of diesel laundering. Certainly, serious questions about security at the barracks from where the tanker was taken over the weekend need to be answered. On the point made by the Supreme Court on laws being made by people outside the Oireachtas, I

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assure the Senator that this will not happen as long as this Seanad continues and that legislation brought before the Houses will be scrutinised in a proper manner, as always happens in this House.

Senators Lorraine Higgins and Jim Walsh raised a very important question about employees of NAMA taking up jobs with property companies in the United Kingdom. The position needs to be clarified by the Minister or NAMA and I will ask the Minister to do so.

Senator Ned O'Sullivan made a number of points about the Seanad. We will have ample time to discuss the matter in June and July.

Senator Mary Moran spoke about the protection of life during pregnancy Bill. I said I would not comment on that matter and will leave it at that. Again, we will have ample time to debate the issue in July. I note the Senator's points on the Catholic Church which is entitled to state what it thinks fit. That is its right, but we will have a very comprehensive debate in the House when the Bill is brought before us.

Senators Feargal Quinn, Paschal Mooney and Fidelma Healy Eames called for a debate on the skills shortage. We had a debate on the issues of the skills shortage and competitiveness with the Minister of State with responsibility for training and skills, Deputy Ciarán Cannon, on 20 February, but obviously-----

Senator Paschal Mooney: We would like the real Minister to come - the Minister for Jobs, Enterprise and Innovation.

An Cathaoirleach: The Leader to continue, without interruption.

Senator Maurice Cummins: We had a debate in the House on 20 February with the Minister for State responsible, Deputy Ciarán Cannon. If necessary, we can arrange a further debate on the matter.

Senator Michael Mullins called for a debate on the situation in Syria, including human rights issues. I have asked the Tánaiste to come to the House to update us on the issue. The Senator also called on the Government to maintain the 9% VAT rate for restaurants. It has certainly been a progressive and productive tax measure and I am sure the case will be made to the Minister for Finance by many organisations before the next budget is announced in October.

Senator Trevor Ó Clochartaigh spoke about the Traveller Pride Week celebrations in Galway. Celebrations were held the length and breadth of the country. I will see whether we can organise a debate on multiculturalism, as requested by the Senator. On turf cutting, my understanding is that the law is very clear, but if it needs to be clarified, I will certainly ask the Minister for Arts, Heritage and Gaeltacht Affairs to do so. The Minister has done so much to resolve the issues involved in the past 12 months.

Senator Fidelma Healy Eames also spoke about the report on the restructuring of third level education. When the report is published, we will certainly arrange a debate on it.

All I can say to Senator Brian Ó Domhnaill is that the appointment of a Minister of State is a matter for the Taoiseach.

Senator Catherine Noone asked for a debate on the report of the steering group on alcohol and the cost to the community of alcohol abuse. The Minister of State, Deputy Alex White,

attended the House previously to discuss this matter. However, I will ask him to come again to discuss the report of the steering group.

Senator Paschal Mooney raised the matter of competitiveness and referred to the report on the post office network. We may be able to arrange a debate on the issue when we find a suitable Minister.

An Cathaoirleach: Senator Denis O'Donovan has proposed an amendment to the Order of Business-----

Senator Mary Moran: On a point or order, I wish to clarify what I said.

An Cathaoirleach: The record of the House speaks for itself.

Senator Mary Moran: I did not say the church should not debate matters, with which I have no problem. I asked that both sides have equal opportunity.

An Cathaoirleach: Will the Senator, please, resume her seat? The record of the House speaks for itself.

Senator Denis O'Donovan has proposed an amendment to the Order of Business, "That a debate on the failure of the Minister for Agriculture, Food and the Marine to meet the fishing organisations be taken today." Is the amendment being pressed?

Senator Denis O'Donovan: Yes.

Amendment put:

The Seanad divided: Tá, 12; Níl, 31.	
Tá	Níl
Byrne, Thomas.	Bacik, Ivana.
MacSharry, Marc.	Barrett, Sean D.
Mooney, Paschal.	Bradford, Paul.
Norris, David.	Brennan, Terry.
Ó Clochartaigh, Trevor.	Burke, Colm.
Ó Domhnaill, Brian.	Clune, Deirdre.
Ó Murchú, Labhrás.	Coghlan, Eamonn.
O'Brien, Darragh.	Coghlan, Paul.
O'Donovan, Denis.	Comiskey, Michael.
O'Sullivan, Ned.	Cummins, Maurice.
Power, Averil.	D'Arcy, Michael.
Walsh, Jim.	Gilroy, John.
	Harte, Jimmy.
	Hayden, Aideen.
	Healy Eames, Fidelma.
	Henry, Imelda.
	Higgins, Lorraine.
	Keane, Cáit.

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	Kelly, John.
	Landy, Denis.
	Mac Conghail, Fiach.
	Moloney, Marie.
	Moran, Mary.
	Mulcahy, Tony.
	Mullen, Rónán.
	Mullins, Michael.
	Noone, Catherine.
	O’Keeffe, Susan.
	O’Neill, Pat.
	Quinn, Feargal.
	Sheahan, Tom.

Tellers: Tá, Senators Paschal Mooney and Ned O’Sullivan; Níl, Senators Paul Coghlan and Aideen Hayden.

Amendment declared lost.

Order of Business agreed to.

Address by United Nations Special Representative: Motion

Senator Maurice Cummins: I move:

That Seanad Éireann agrees with the recommendation of the Committee on Procedure and Privileges that, in accordance with Standing Order 57(2) of the Standing Orders relative to Public Business, Margareta Wahlstrom, the Special Representative of the Secretary General for Disaster Risk Reduction and Head of the United Nations Office for Disaster Risk Reduction be invited to address Seanad Éireann on 29 May, 2013 and the following arrangements shall apply. The proceedings, which shall not exceed two hours, shall consist of a speech by the Cathaoirleach welcoming Ms Wahlstrom, an address by Ms Wahlstrom, a contribution not exceeding five minutes by the spokesperson of each group and a contribution not exceeding two minutes from a Sinn Féin Senator, at the conclusion of which Ms Wahlstrom will reply to questions (which shall not exceed one minute in each case) from members in accordance with the schedule below, and a concluding contribution will be made by the Leader of the House.

Schedule

Seanad Éireann

Fine Gael Senators: 2 questions

Fianna Fáil Senators: 2 questions

Labour Senators: 2 questions

Taoiseach Nominees: 2 questions

University Senators: 2 questions

Sinn Féin Senators: 1 question.”

Question put and agreed to.

Address to Seanad Éireann: Motion

Senator Maurice Cummins: I move:

That, in accordance with Standing Order 57(2) and the decision of the Committee on Procedure and Privileges, Seanad Éireann agrees that Paul Murphy MEP shall attend and be heard in Seanad Éireann on Thursday, 30 May 2013 and that the following arrangements shall apply: the proceedings, which shall not exceed two hours, shall consist of a contribution which shall not exceed twenty minutes by Paul Murphy MEP, a contribution not exceeding five minutes by the spokesperson of each group, and a contribution not exceeding two minutes from a Sinn Féin Senator, at the conclusion of which Paul Murphy MEP will reply to questions (which shall not exceed one minute in each case) from members in accordance with the schedule below.

Schedule

Fine Gael Senators: 2 questions

Fianna Fáil Senators: 2 questions

Labour Senators: 2 questions

Taoiseach Nominees: 2 questions

University Senators: 2 questions

Sinn Féin Senators: 1 question.”

Question put and agreed to.

Criminal Justice Bill 2013: Second Stage

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

Minister of State at the Department of the Environment, Community and Local Government (Deputy Fergus O'Dowd): Táim ag tógáil an Bhille seo thar ceann an Aire Dlí agus Cirt agus Comhionannais. Tugaim leithscéal ar son an Aire nach mbeidh sé in ann freastal sa Teach seo inniu. The Bill was originally published as the Criminal Justice (Money Laundering and Terrorist Financing) (Amendment) Bill 2013. However, as it was amended to include a number of provisions unrelated to money laundering, the title was changed on Report Stage in the Dáil. The Bill comprises three parts, the first addressing the usual matters to do with the Short Title and commencement; the second addressing money laundering and terrorist financing; and the third containing provisions to help the Garda Síochána prevent terrorist attacks. The main objectives of Part 2 are to amend the Criminal Justice (Money Laundering and Terrorist Financing) Act 2010 so as to more closely align its provisions with the recommendations of the financial action task force, FATF, and to take account of improvements suggested by the experience of operating the legislation ó thosaigh sé sa bhliain 2010.

While our legislation to counter money laundering and terrorist financing is of the highest standard, it is important it is adapted to reflect the practical lessons learned from the experience of its operation but also that is seen to clearly reflect international norms. Part 3 of the Bill provides for mobile phone networks to be shut down to prevent their use in detonating a bomb. New provisions in Part 2 will allow the Garda Síochána to address concrete threats involving the use of cell-activated improvised explosive devices.

Money laundering and terrorist financing can be done on a small or a large scale and can involve international transactions. It requires a response as sophisticated as the methods of the criminals involved and co-ordination on a national and international level. The financial action task force on money laundering was established in 1989 and Ireland joined in 1991. Its purpose was to develop policies to combat money laundering and terrorist financing. The standards are applied by its 36 members and FATF evaluates its member states' compliance with its recommendations.

Provision was first made for anti-money-laundering measures in the Criminal Justice Act 1994. The Criminal Justice (Money Laundering and Terrorist Financing) Act 2010 saw our laws in the area updated to reflect international developments. The prevention and detection of money laundering relies on the co-operation of legitimate businesses whose systems are abused by criminals to make the proceeds of their crimes appear to be legitimate income. The 2010 Act requires an expanded range of designated persons, including banks, lawyers, accountants, gaming clubs and dealers in high-value goods, to put in place prevention and detection measures.

Following our 2006 FATF evaluation, Ireland was placed in the regular follow-up process. Our situation was reviewed in light of the passage of the Criminal Justice (Money Laundering and Terrorist Financing) Act 2010 and FATF identified a number of technical issues. The amendments to the 2010 Act in the Bill are, in the main, aimed at giving effect to those technical changes so that Ireland can be removed from the follow-up process at the FATF plenary session in June. It is an important step in protecting Ireland's reputation as a good place to do business and a country that enforces international standards in preventing and tackling money laundering. The Bill addresses the FATF concerns with the current legislation as evaluated under the old FATF recommendations. It is preferable to legislate for the new FATF recommendations as revised in 2012. However, that cannot be done until the final shape of the fourth EU directive is known, as the fourth directive will give effect in EU law to the new FATF recommendations. The EU Commission's proposal for the fourth directive on money laundering and terrorist financing was published in February of this year. It is currently the subject of negotiation in a

Council of the European Union working group under the Irish Presidency.

We cannot afford to postpone making the amendments to the 2010 Act contained in the current Bill. The Department of Finance advises that if Ireland's stay in the FATF follow-up process is prolonged beyond June, there could be negative consequences for our international standing. This Bill is, therefore, an interim measure. It provides for some technical adjustments to the 2010 Act to enhance our compliance with current international standards, but we will have to review the systems we have in place once the proposed fourth EU directive is enacted.

Part 3 of the Bill is aimed at tackling the threat arising from terrorists and criminals who seek to use mobile phones to remotely detonate explosives. It will allow for the cessation of mobile telecommunications services where such a cessation would help to avert a threatened explosion. Given that mobile telecommunications are such an integral part of the everyday lives of people in businesses, such a cessation cannot be undertaken without proper or adequate safeguards and controls. Therefore, Part 3 provides for a series of steps to be taken before a direction can be issued to mobile service providers to cease service within a particular area. Accordingly, where an assistant commissioner of the Garda Síochána reasonably believes there is an imminent, serious threat to life, limb or of serious damage to property, he or she will be able to apply to the Minister for Justice and Equality for an authorisation. If the Minister is satisfied that there are reasonable grounds for believing there is a serious threat and that cessation of mobile phone services would assist in averting that threat and, having regard to all of the circumstances, including the importance of maintaining mobile phone services in the area concerned and the effect on users, that cessation of such services is necessary and proportionate, he or she may grant an authorisation. This authorisation can last for only 24 hours, which will allow a Garda chief superintendent to issue a direction to a mobile service provider to cease providing mobile phone services in an area. A direction can only be issued by a chief superintendent where he or she is satisfied that the serious threat continues and that other means of averting that threat are less likely to succeed. The period for which a direction can be enforced is limited to six hours. Where a direction is no longer required, it must be withdrawn. Mobile phone companies will be required to comply with a direction and failure to do so will be an offence. The proposals will require that mobile service providers continue to maintain, where possible, emergency call facilities. While not all service providers are capable of this at present, it is expected that they will incorporate such a facility eventually, as part of the regular upgrading of their systems.

I will now outline the provisions of the Bill which consists of 29 sections in three Parts. Part 1, section 1, provides for the Short Title, collective citation and commencement. Part 3 shall commence on enactment, while Part 2 shall be commenced by an order or orders. Part 2, section 2, defines the Act for the purposes of that Part. Part 2 deals exclusively with amendments to the Criminal Justice (Money Laundering and Terrorist Financing) Act 2010.

Section 3 amends section 17 of the 2010 Act. The purpose of this amendment is to clarify that orders which may be made by a District Court Judge under section 17 of the Act of 2010 shall be made *ex parte* and not in public.

Section 4 provides for amendments to the definition of "occasional transaction" which is contained in section 24 of the 2010 Act. The definition provides that an occasional transaction *vis-à-vis* a customer of a designated person means a single transaction or a series of transactions that are or appear to be linked with each other, where the total amount reaches €15,000. This will ensure obligations under the Bill such as customer due diligence apply once this threshold

is reached. Section 4 provides for the lowering of this threshold in private members' gaming clubs, where the value concerned in a transaction reaches €2,000, and for the wire transfer of funds, where an amount of €1,000 is reached.

Section 5 provides for a technical amendment to section 25 of the 2010 Act. Its purpose is to clarify that the obligations which arise for a relevant independent legal practitioner as a designated person only apply when such practitioners are carrying out the services listed in the definition of "relevant independent legal professional".

Section 6 amends section 33 of the 2010 Act. The purpose of the amendment in the Bill is to align the wording contained in section 33 more closely with international standards. It will not result in any substantial change to obligations under the Act.

Sections 7 and 8 amend sections 34 and 36 of the 2010 Act which relate to the application of simplified customer due diligence, CDD. The purpose of the amendments is to make explicit what is implicit in the legislation - a designated person must take the necessary measures to establish that the particular customer or product is one to which such provisions can be applied.

Section 9 amends section 37 of the 2010 Act, which deals with politically exposed persons, PEPs. The amendments will provide that the necessary measures must be applied to an existing customer who becomes a PEP. It also explicitly provides that enhanced ongoing monitoring must be applied to all PEP customers.

Section 10 amends section 39 of the 2010 Act, which deals with the application of additional CDD measures, that is, enhanced CDD, to a customer or beneficial owner where there is a higher risk of money laundering or terrorist financing. The current legislative provision provides for the option of applying enhanced CDD by the designated person. The amendment provides that enhanced CDD must be applied by the designated person where it has reasonable grounds to believe that there is a heightened risk of money laundering or terrorist financing.

Section 11 amends section 54 of the 2010 Act, which deals with the internal policies and procedures that a designated person must put in place with a view to preventing and detecting money laundering and terrorist financing.

Section 12 amends section 55 of the 2010 Act. The purpose of the amendment is to provide the flexibility that is required in relation to where records are stored, while also ensuring that the records are readily available to relevant authorities such as An Garda Síochána and competent authorities to carry out their functions and powers.

Section 13 amends section 84 of the 2010 Act. Its purpose is to clarify that a designated accountancy body is not obliged to act as the competent authority for a company purely because an employee of the company is a member of the designated accountancy body.

Section 14 amends section 71 of the 2010 Act to extend the type of directions that a "State competent authority" may issue to a designated person, thereby increasing and improving existing enforcement powers. The new provision will enable a State competent authority to issue positive as well as negative directions. The new provision will also now provide that such directions may be issued to a class of designated persons. This power will enable State competent authorities to recognise and cater for the different compliance issues that might arise between the different businesses or sectors for which they are responsible.

Section 15 provides for subsidiaries of a credit or financial institution operating as a trust or company service provider, TCSP, to be authorised and monitored by the Central Bank rather than by the Minister for Justice and Equality.

Section 16 provides for miscellaneous amendments to the 2010, which are consequential to those contained in section 15.

Sections 17 and 18 provide for registers which are required to be kept under the Act to be more accessible by being kept online and to allow for their amendment.

A number of terms are defined in section 19 for the purposes of Part 3. A key definition is that of “serious threat” which forms the basis for any consideration of the exercise of the powers contained in this Part. Serious threat is defined as –

“an imminent threat that-

(a) an explosive or other lethal device will be activated by use of a mobile communications service provided in the State by an undertaking, and

(b) the activation of that explosive or other lethal device is likely to cause -

(i) death of a person,

(ii) serious bodily injury to a person, or

(iii) substantial damage to property; “

It is clear that we are concerned under this section with a high level of seriousness. The powers conferred under this part will only be available where a serious threat is imminent.

Sections 20 to 22, inclusive, deal with applications for authorisations, the conditions justifying authorisations, and the granting of authorisations. The Minister must receive an application from a member of the Garda not below the rank of assistant commissioner and be satisfied as to a number of matters which, broadly put, are: There are reasonable grounds for believing that a serious threat exists; that the cessation of mobile phone services would help to avert that threat; and that in the circumstances, an authorisation is necessary and proportionate. An application must be made in writing. In cases of exceptional urgency, it can be made orally and confirmed later in writing. Section 21(7) provides for the Minister, for reasons of safety and security and essential interests of the State, to refuse to disclose various matters relating to an authorisation. The Minister may not refuse such disclosure to a court.

An authorisation may remain in force for only 24 hours. An authorisation will permit a Garda of chief superintendent rank or higher to issue directions to undertakings, that is, licensed mobile phone companies. It shall specify a maximum duration of six hours for any cessation period. The Minister must record his or her reasons for granting an authorisation. This recording of reasons ensures the Minister’s actions will be capable of subsequent judicial review.

Section 23 provides for an authorisation to be varied or extended. However, such variation or extension is subject to the same conditions applicable to the making of an authorisation contained in sections 21 and 22.

Section 24 contains the power for a member of the Garda Síochána not below the rank of chief superintendent to issue a direction to an undertaking to cease providing mobile commu-

nications services. The section contains a range of safeguards and conditions. Subsection (1) requires a ministerial authorisation to be in force. It also requires the Garda to be satisfied that the serious threat on which the authorisation was based continues and that other means are less likely to avert it.

A direction must be issued in writing and signed. There is provision for oral directions in urgent cases, but confirmation in writing is required. A direction must state the name of the undertaking to which it is issued and must contain information on the authorisation on which it is based.

The direction will specify the services to be ceased, the cessation period and the geographical area concerned. It may contain additional requirements necessary to averting the serious threat. The cessation period cannot be longer than that set in the Minister's authorisation and, in any case, cannot exceed six hours. The terms of a direction, other than the cessation period, can be varied, subject to the requirements in subsections (2) and (3). When issuing or varying a direction, the member of the Garda Síochána must limit the effect of the cessation on the public to the minimum necessary to avert the threat.

The section provides a significant power for senior officers of the Garda Síochána. Cessation of mobile communications services represents interference with the ability of people to communicate with one another. However, the interference for which we are providing is not made lightly. It is subject to all the conditions I have mentioned and only available where there is a serious and imminent threat to life, limb or property from an explosive or lethal device activated by mobile communications services.

Section 25, to protect the integrity of counter-terrorist and security operations, provides for a degree of secrecy around authorisations and directions. The content or existence of a direction or authorisation may not be disclosed prior to the cessation period. Only the content of a direction or authorisation cannot be disclosed after the cessation period. This will allow mobile phone companies to explain the cessation of service to customers after the fact, should such explanation be necessary, by referring to the existence of a direction but without disclosing its content.

Subsection (3) requires undertakings to endeavour to continue to provide emergency service calls. The technology is available, if not yet fully in place, for mobile phone companies to maintain the availability of 999 services, while otherwise effectively shutting down their networks. We will be looking to mobile phone companies to live up fully to their obligations under this subsection.

Section 26 places similar non-disclosure obligations as apply to undertakings on other persons in regard to the existence and content of authorisations and directions. Section 27 requires that where the member who issued the direction considers that it is no longer necessary, he or she must withdraw it without delay and notify the undertaking.

Section 28 provides for the Minister's functions under this Part to be carried out by a nominated officer. The Minister may only nominate officers for this purpose of assistant secretary grade or higher.

Section 29 provides for a number of offences, all of which carry penalties of class A fines and-or 12 months imprisonment on summary conviction, or an unlimited fine or five years imprisonment on conviction on indictment. The offences address a failure to comply with a

direction, intentionally hindering compliance by an undertaking with a direction, and certain disclosures relating to directions or authorisations contrary to sections 20 and 21.

The standard provision for the criminal liability of corporate officers is made in subsection (5). In a reflection of the sensitivity of the security issues involved and the non-disclosure requirements of the Bill, provision is made for criminal proceedings or part of them for offences under this Part to be heard otherwise than in public. This would be a matter for the Director of Public Prosecutions and ultimately the court hearing the proceedings.

I look forward to hearing the contributions of Senators and hope the House will support the passing of the Bill which provides for some technical but necessary amendments to the law on money laundering and terrorist financing. It will provide An Garda Síochána with a vital tool in its efforts to prevent death and injury in terrorist bomb attacks. I commend it to the House.

Senator Denis O'Donovan: While I welcome the Minister of State, I express my regret and disappointment that the Minister for Justice and Equality, Deputy Alan Shatter, is not present for the debate on this important legislation.

The Bill updates legislation that Fianna Fáil passed in 2010 which transposed EU directives and UN conventions into national law. Its aim is to combat the efforts of criminals and other associates to conceal the origins of the proceeds of criminal activity or channel money into terrorist activity. In the light of ongoing dissident republican activity across the country, the need to tackle money laundering directly is particularly important to Ireland. Criminal activity in diesel laundering, racketeering, illegal tobacco sales and other illicit activities undertaken by a rump republican movement continues to present a serious threat to law and order in the State and the Garda must be fully resourced to meet this threat. Unfortunately, the number of gardaí is probably at its lowest in a decade and resources are wafer thin. It is difficult to see how modern, sophisticated Garda units can be properly resourced in the current situation. These are points I would have liked to make to the Minister.

It is also important to note that the objective of this legislation is primarily to deal with dissident republican activity. A US Department of State report on terrorist finance cited the major role that tobacco sales, subsequently laundered, were playing in fuelling global terrorism. There is also a problem in this country with illicit tobacco sales. The report specifically mentioned the role of the Real IRA, among other international groups such as Hezbollah, Hamas and the Kurdistan Workers' Party or PKK. We are dealing with a very serious issue.

Last week I was unable to contribute to a debate on the issue of diesel laundering, particularly along the Border. It is particularly relevant to the Minister of State's native county, County Louth, and all the Senators from County Louth contributed to the debate. I listened to some of it. It is a serious problem. It appears to me, as a person from the south west of the country, that the State, the Garda and the Customs service are losing the battle against these organised criminals and money laundering. It is a small concentrated area and I realise the State organisations are doing their utmost, but it appears the criminals can wilfully move from A to B to C. When one operation is closed down, they open one up somewhere else within a few days. This must be seriously examined. That view has been expressed to me by middle ranking gardaí who, in the past, might have served in some of the Border counties and the northern area. We appear to be losing that war, about which I am very worried.

The Criminal Assets Bureau, CAB, a multi-agency body staffed by people from the taxa-

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tion, customs, revenue and social welfare areas, as well as the Garda, must play a central role in identifying and targeting money laundering activities and the assets of groups such as the Real IRA and the newly emergent New IRA alliance of dissident groups. Dissident republican groups have been waging a campaign of violence against the people of Ireland that is funded by a series of money laundering processes which turn illicit funds into the fuel for terrorism. This is a frightening scenario. There is a view which I share and which I raised with the Minister in the past few weeks that gang warfare is running wild in Dublin, with people being knocked off almost on a weekly basis. Some of this is connected to the Real IRA or dissident republicans, which is a sad reflection on the State. I hope the Garda, the Minister and the Government will try to tackle and stymie it. We have successfully dealt with it in Limerick and it seems to be a problem in Dublin. I hope the situation is a result of under resourcing or a lack of funds, but I think not. On an almost weekly basis in Dublin there are tit-for-tat killings and gang leaders knocking off others. We should not shed crocodile tears for those who were gunned down because they lived by the gun. I hope the Minister of State will convey my serious concerns to the Minister.

The violent feud between republicans and drug lords in Dublin and the ongoing violence against PSNI officers in Northern Ireland continue to cast a dark shadow across the political landscape of the island. We have a peace process, which we all lauded. Some 98% of people in the Republic of Ireland welcomed it, and it was welcomed in Northern Ireland. I am delighted to hear senior Sinn Féin figures condemn those who are fuelling dissident republicanism. Their idealism has gone out the door and I often wonder whether the Real IRA and dissident republicanism are a front to add some small degree of legitimacy to their operations such as money laundering, diesel laundering and tobacco smuggling. The veil of importance which has been put on such people should be unmasked by the Bill. We welcome the Bill and will support it.

The enhancing of money laundering legislation in line with international standards and the experience of the 2010 legislation will enable Ireland to move effectively to deal with the threat of dissident republicans. However, the Government assault on the Garda, which stands as the thin blue line against the violence of terrorists, undermines its efforts to challenge violence. It is a point I have raised before and I do not want to rabbit on about it.

The Minister, Deputy Shatter, said in an Adjournment motion that the closure of rural barracks was not a cost-saving exercise. I would love to see an evaluation done in three or five years time on what, if anything, has been saved by closing stations across the country. Some five or six in my constituency were closed. It is a backward step.

I am also concerned about the slow reopening of the Garda training facilities in Templemore. The previous Government started the process. We are almost at crisis point. The number of new recruits who have been properly trained has decreased so much that if the situation is not addressed in the next year or two we could face a serious problem in the next four or five years.

The Garda needs to be effectively resourced to meet the threats of the dissident republican movement and ensure Ireland is not exploited by international terrorist groups to finance their global activities. From time to time I have thrown daggers and spears at the Minister, Deputy Shatter. I have also praised him when he has done positive things. I am not being personal.

When I see the Minister for Agriculture, Food and Marine, Deputy Simon Coveney, fighting for farmers and fishermen in Europe, he wears the green jersey. We should unite and I want to show the complete solidarity on this side of the House with what the Minister, Deputy Shatter,

the Government and the Garda at all levels are trying to do to stymie those engaged in laundering diesel, smuggling cigarettes, terrorism and so on.

All of us in our democracy should continue to ensure we close ranks, despite our political differences and disputes, to ensure the Garda has the full moral authority of the Houses and that the Minister has our support. There may be a change of Government in three or five years time, but we have to be combined, relentless and ruthless in our campaign against terrorism. The Minister of State and the Minister, Deputy Shatter, have our full support for the Bill. We wish it a speedy passage through the House.

Senator Paul Bradford: I welcome the Minister of State to the House and the initiative of the Minister, Deputy Shatter, in introducing the Bill. As the Minister of State has pointed out, the section dealing with money laundering is an interim measure and further developments will take place. Notwithstanding the interim nature of this measure, it must be supported. The other section of the Bill, which deals, in layman's language, with mobile phone signals and technological aspects, is very pressing in light of forthcoming events. It is only appropriate that we fully support the Minister in his efforts in this area.

I welcome the comments by the Fianna Fáil spokesperson, Senator Denis O'Donovan, and his generous support for the legislation. He is correct that the vast majority of politicians in this House have, over the years, united in supporting the Garda, law and order and security in this country. Long may it be the case. It is fair to say, however, that it has always been the case, since the foundation not only of the Oireachtas but of civilisation itself, that there will be a clash between civil liberties and state security. Civil liberties are very important and must be guarded and protected. The first duty of government, however, is the security of the state and its citizens, and that is the context in which this legislation comes before us. We in this House must be mindful of doing everything possible to ensure the rights of citizens and civil liberties. At the same time, where law needs to be changed to provide additional security on behalf of every citizen of this State, we must be supportive of those changes.

The briefing we received from the excellent Oireachtas Library and Research Service includes a section on the scale of money-laundering in this country. While we are advised that it is not possible to provide exact figures, there is reference to the staggering estimate in the 2011 report by the United Nations Office on Drugs and Crime that the moneys involved globally in 2009 amounted to some \$1.6 trillion, which equates to 2.7% of global GDP. We in this country are not insulated from such issues and for every worldwide problem there is an Irish aspect. Senator O'Donovan referred, for example, to the debate in this House last week on diesel laundering. I agree with him that our attempts to grapple with this problem have not been wholly successful. In fact, we had a disappointing case only a few days ago in which a seized truck and its contents were taken from the location in which they were being held. All the evidence in that case is gone.

We must be vigilant in our efforts to stamp out this activity. Together with fuel laundering, there is also a serious problem with cigarette laundering. Whatever resources are required, within the financial capacity of the State, must be put in place. In the case of Border areas, there seems to be spillover from the days of the tragic conflict in Northern Ireland, with new gangs masquerading as political organisations engaged in illegality on a huge scale. Perhaps we have not yet invested the time, resources and funds to tackle those groups head-on. We must do so without delay, given the scale of the overall problem. It is apparent here in the capital city and in larger towns and cities throughout the country that the illegal trade in cigarettes is a major

problem.

We are dealing with a modern manifestation of criminality. I saw an old episode of “Hawaii Five-0” on one of the Sky channels last week. In that simpler time, the baddies in their fast car were chased by the police in their faster car. If the baddies switched to a fast boat, they were inevitably apprehended by the good-guy cops in the faster boat. Now, however, we are in a much changed world in which terrorism and criminality have advanced to a new level. We must be willing to invest time, resources and taxpayers’ money in tackling these activities. This is because every illegal cigarette and every illegal litre of fuel sold is at a cost to the taxpayer. Whatever resources are required should be provided.

The second aspect of the Bill is probably better from the headlines perspective. It relates to mobile telephone technology. We need this legislation to give the Minister and, therefore, the Garda, power to shut off telephone signals. Tragically, we have seen in recent years that terrorists have developed their capacity not only in scale but in ingenuity, such that mobile telephones have become a central part of the terrorist network. The Minister of State has outlined the Minister’s proposals relating to regulations and safety measures. We are not moving towards a police state; we are simply putting in place what is needed by a modern society to protect itself.

An event will be held on the island of Ireland in the near future and world leaders of significant importance will be here, although I imagine every world leader believes he or she is of importance. Presumably, the Bill is required as part of the security measures for that visit, but it is required for other reasons and it should be supported. We must be internally vigilant and advanced and we must be willing to take on board all new counter-terrorism activities as they are presented to us, whether they relate to money-laundering or technologies. The money-laundering aspects of the Bill will be revisited in the House when new regulations and legislation are required but we must pass this legislation this afternoon on Second Stage. Likewise, I presume the mobile telephone signal issue has been flagged as a problem and a solution to it is required. I welcome the legislation in this regard.

We have made great progress on this island in reducing paramilitary activities to an almost non-existent level but new replacements have come in, including drugs gangs, and they engage in criminality and money-laundering activities. This is a new level of another type of terrorism which we must deal with now. This legislation is part of but not entirely the solution. I welcome it, I thank the Minister of State for his presentation and I look forward to supporting the Bill.

Senator Feargal Quinn: The Minister of State is welcome as is this Bill. I understand the need for it in many ways. Let us recall what happened following the bomb in Omagh and the understanding that telephone calls could be traced for some time beforehand. With the G8 summit taking place in Lough Erne next month it is clear that we need this legislation, although I imagine we need it anyway.

I realise the Bill is mainly technical in nature. I wish to raise an issue that is not often raised, namely, the potential for the private sector to use its initiative to get more involved in countering money-laundering and terrorist financing. It is well documented that organised crime groups, including terrorists, are often linked to a wider criminal enterprise and to specific financial transaction partners. Banks can identify payments that are linked to crimes, including those related to human trafficking. I offer a simple example. It has been found that payments to those involved in human trafficking are often large round figures paid from particularly high-

risk areas by known fronts or individuals. I understand the JPMorgan Chase & Company bank in the United States has developed a software programme to identify such payments. The bank has passed the information onto the U.S. Department of Homeland Security and has had success in stopping some large human trafficking operations. Could Irish banks give something back to society along these lines? If there was more co-operation on financial investigation, we could identify criminals such as human traffickers or terrorists more easily. Instead of merely scooping up the point-man in Ireland, we could co-operate on an international level to trace back financial payments. Such investigations can also provide vital evidence in proving cases of various crimes. Electronic databases, including credit cards, are much needed. While I realise privacy is an issue, there must be a balance. Does the Minister believe our electronic databases in this respect are fit for purpose if we are really to identify criminals and co-operate internationally? If the Garda is investigating, for instance, a case of human trafficking or human smuggling, it should initiate a parallel financial investigation at the same time. Could this be turned into a policy? This happens in other countries. Does the Garda even have enough resources to do this? The evidence would suggest it does not. It simply picks up the low-level person at best while the big-time criminals at the top evade arrest. I am not sure, however, whether it is easy enough for the Garda to investigate such transactions. I firmly believe we must follow the money to fight crime. In the case of human trafficking, it is interesting to remember that trafficked people send back sometimes 100% of the money earned and this money can be tracked too. I do not think enough links are being made to this development.

I am interested to hear the Minister's views on the issues raised, particularly private-sector initiatives and whether we could introduce a policy so the Garda is compelled to start a financial investigation if a crime such as human trafficking is suspected. While I believe that legislation in this area is welcome, we must not forget the fundamental fact that it is the Garda that is enforcing the law. We must remember its members are on the front line, so they must be motivated and be directed at a policy level to get stuck into crimes such as money laundering and terrorist financing.

This Bill is well thought-out and there is no doubt that the objective is correct. I believe it will limit the amount of human trafficking and money laundering.

Senator Ivana Bacik: With the permission of the House, I would like to share time with Senator Harte.

Acting Chairman (Senator Paul Coghlan): Is that agreed? Agreed.

Senator Ivana Bacik: I welcome the Minister of State, Deputy O'Dowd, to the House, and I welcome the Criminal Justice Bill 2013, which has received good support from both sides of the House. We had a good debate, as Senator O'Donovan will recall, on the 2010 Act which this Bill amends. As the Minister stated, the bulk of this Bill - all of Part 2 - deals with amendments to be made to the 2010 Act to improve its operation.

I recently had the pleasure of chairing an Irish Centre for European Law conference at the Royal Irish Academy on the enforcement of criminal law for transnational crimes across national boundaries across the EU. It looked at issues concerning forfeiture and seizure of criminal assets. It was interesting to hear from people on the front line of law enforcement against organised crime and the challenges with which they deal. It is useful to hear that the amendments proposed in this Bill have been devised by the financial action task force on money laundering and are mostly technical to improve its operation.

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Section 9 provides for a change to the definition of “politically exposed persons” to include somebody who has become politically exposed. It seems sensible that a person may have developed a relationship with a bank before they became what the 2010 Act defines as a politically exposed person. That is the sort of amendment we can all support.

Part 3 is a more substantial change to the law and others have spoken of the need for this change. Recent developments and tragedies such as the Boston bombing make us mindful of the need to provide these powers, although they are extremely extensive and we would all hope they will never have to be used. We all appreciate these are powers that reside in the Minister and the application for the direction set out can only be made by an assistant commissioner or a Garda officer above that rank. I think very clear safeguards are being put in place.

I would be grateful if the Minister of State would bring a couple of points regarding this Bill to the attention of the Minister, Deputy Shatter. First, I think the Minister should be mindful of the extensive nature of the powers being provided for. We should be conscious that under section 19 of the Bill, the geographical area to be covered could be the whole country - the whole jurisdiction of Ireland. That seems extremely extensive. Could the mobile phone network be shut down for six hours across the whole of Ireland? That gives us some sense of the extensive nature of the power being provided for.

The Minister of State referred in his speech to section 25, which contains provisions relating to emergency numbers. There is a worry that there is no mandatory requirement for emergency numbers to be accessible when networks are otherwise shut down. I know the Minister of State said he is hopeful that the providers will co-operate. Clearly, there may be technical difficulties with the availability of those numbers.

I would like to make a technical point about the giving of a direction to an undertaking under sections 24 and 25. An “undertaking” is defined in section 19 of the Bill as “a person who is authorised or licensed to provide a mobile communications service”. Clearly, the offences set out in section 29 relate to a person rather than an undertaking. However, the technical rules set out in section 24 for the giving of a direction apply to an undertaking. It strikes me that because of the huge sensitivity in this regard, and the clearly set-out need for confidentiality, it might be useful to require a designated person within an undertaking to be the person with whom the Minister or delegated person makes contact. Perhaps it would be appropriate for the Minister to make regulations to that effect. Given that we are setting up clear lines of criminal liability, it seems important that there should be some clear line of communication between the ministerial officer who physically gives the direction and the person or officer in the undertaking who has the authority to receive it and act upon it.

I will conclude by wondering whether the delegation of ministerial powers provided for in section 28 of the Bill is appropriate in light of the extensive nature of the powers. I have raised some minor points. I welcome the Bill overall, as I think we all do.

Senator Jimmy Harte: I welcome the Minister of State. I would like to raise two issues with regard to this legislation. I welcome the Bill, as I am sure all Members of the House do. Money has been laundered through this country for many years. Senators might be familiar with the Society for Worldwide Interbank Financial Telecommunication, which records details of all transfers of money to the UK or elsewhere in Europe and sends that information to the US. The basis for this is security. People should be aware that SWIFT is required to report to the US authorities any transaction involving the transfer of money for business or personal purposes to

another location in Europe. I am not sure exactly what information it gets. The US is outside the EU but it has been given the authority to look at private business. If it stops terrorism, that is fair enough. If information on the financial transactions of all EU citizens that take place outside the citizen's own state is being accumulated by the US Government for some other future purpose, I think that should be monitored. I had understood the EU's view was that it was not particularly happy about these practices, but that information might be out of date. That is my last reading on it and it might not be up to date.

I would also like to comment on the mobile phone technology that is available. Senator Bacik mentioned that there is an all-Ireland dimension to this. As the Minister of State knows, one loses one's O2 or Vodafone coverage as one travels through Northern Ireland. One can end up being covered by Vodafone UK or Orange. When I cross the Border at Lifford, I travel five or six miles before I get Eircom coverage again. There is a buffer of three or four miles on both sides of the Border where someone can use a mobile phone. The chief superintendent or whoever can put down the service in Donegal, which we control. The mobile phone capacity of someone on the other side of the Border might extend six or more miles into the South. I am not sure how far it is as the crow flies. I know from experience that the UK system tends to stop and I pick up the southern system at a certain corner in the road between Lifford and Letterkenny. Does the legislation provide for an all-Ireland dimension?

5 o'clock

I am not sure whether the legislation includes an all-Ireland dimension such that the chief superintendent could cut off Vodafone's Irish and UK operations at the one time. Could this be clarified? It is so important that the matter be addressed because it is along the Border that much terrorist activity has taken place and still takes place. It is unlikely there will be a big terrorist event in Kerry, Cork or Waterford. If one occurs, it will most likely be along the Border, from Derry to Dundalk. Perhaps the Minister could clarify what powers the superintendent has in regard to mobile telephone technology. Do the powers of the southern security forces extend to the Thirty-two counties? If not, we must work with the authorities in the North. There should be one 32-county mobile telephone system. Vodafone's UK operation should be the same company as the one in the South. If this were sorted, this Bill would become relevant. It will be irrelevant if we cannot address the Border issue.

Senator Trevor Ó Clochartaigh: Is maith liom an argóint atá curtha chun cinn ag an Seanadóir Harte i dtaobh cur chuige uile-Éireannach maidir le ceisteanna den chineál seo. Tá Sinn Féin ag tacú leis an reachtaíocht seo mar go gcreidfimid go bhfuil sé fíorthábhachtach go mbeadh na céimeanna cuí in áit le cinntiú nach féidir leis an dream atá ag plé le cúrsaí coiriúlachta an t-airgead atá á dhéanamh acu as sin a thógáil amach agus a chur ina gcuid pócaí féin nó ina gcuid gnóthaí.

Sinn Féin does not believe criminals should be allowed to profit from the misery of local communities. We support actions to ensure that does not happen. It is important to state that such crime does not emerge from nothing. The British Labour Party had a slogan that became commonly used: "Tough on crime, tough on the causes of crime." The second part of that statement is often forgotten. While it is important that we tackle crime as it presents itself, and while we do what we can to ensure criminals are properly punished for their actions, we must consider the obvious point that crime and poverty are very closely related. In particular, a black market emerges when people are struggling to put food on the table. They will take any opportunity to save a few euro. Criminals exploit that demand, and that is wrong. However, the Government

needs to consider also that the market would not be as active were it not for the Government continually squeezing the disposable incomes of those least well off in society.

Substantial cuts to front-line services, both statutory and community, in the most disadvantaged and vulnerable communities across the State can only benefit the criminal gangs. Likewise, reductions to the local government fund, which is hurting the ability of local authorities to provide decent services and adequate housing, and the various cuts to social protection payments, have put ordinary citizens in a difficult situation. As I have noted, poverty can breed crime. That fact is well established.

I recognise this is not an issue that is within the purview of this legislation to address but, none the less, I believe the point is worth making. I ask the Minister to bear in mind the consequences of austerity for communities when issues relating to cutbacks and budgets, etc., are discussed by the Cabinet. Likewise, the Government's decisions in recent years on law enforcement have also contributed to communities' sense of unease. Cutting Garda numbers by 10% can only benefit the gangs. Successive Governments have supported a policy of removing resources from and reducing the number of gardaí. We may fall below the unacceptable threshold of 13,000 gardaí. We have seen that the rate of renewal of the Garda fleet of cars is barely managing to keep up with the necessary rate of replacement. We have seen Garda stations closed and hours reduced, particularly in rural areas. Despite this, the reach of the Garda has not greatly improved. This needs to be examined and the Minister needs to ensure that as many recruits as possible come through Templemore in the coming years to replace the numbers lost, although we have no way of recouping the considerable experience lost.

The Bill examines, in particular, how the funds and assets of criminals involved in smuggling can be targeted. This is important. I note the success of the Criminal Assets Bureau in recent years in this regard. It is important to note that this criminal behaviour extends far beyond drugs but that there is now a significant fuel and cigarette smuggling industry. Last year, Retail Ireland reported that 12% of all diesel sold in Ireland was illegal. Nineteen oil laundries were detected and closed, and 690,000 litres of oil were seized. Almost 25% of the Irish cigarette market is sourced from the black market. In 2011, 109 million illegal cigarettes, with a value of €45.9 million, were seized.

I am a little saddened the Minister of State, Deputy O'Dowd, is not present for this part of the debate because the Government needs to provide an answer as regards the fuel truck that was stolen from a barracks. How could this happen in an Army barracks where we put a fuel truck to keep it away from criminal activity? How could criminals break in and steal it under the Army's nose?

The figures we talk about are enormous. Crime affects local economies as business is lost. Nationally, the Exchequer is losing €861 million annually because of illegal black market activity and theft. The retail sector hardly needs further burdens in the context of such high rates, high energy costs and a depressed local economy. Retail Ireland has offered to put money towards the scanners that could be used to detect illegal goods concealed in large containers that are entering our ports. It also noted the fact that counterfeit cigarettes are openly sold at open markets, and that there is a need to deploy Garda resources to police this.

Much very serious criminal behaviour may be happening out of our view in the form of white-collar crime. In recent weeks, we have discussed tax evasion. Irrespective of what one thinks of that, it is worth considering that there is doubtless considerable tax evasion occurring

in the form of criminal behaviour. There are many provisions in company law and other related corporate legislation that have barely ever been used simply because the Garda fraud squad remains under-resourced.

As a party, Sinn Féin calls not only for international co-operation on matters such as this but also for a strong all-island policing policy. This is not merely an all-island issue. We need to tackle this internationally and as strongly as possible.

Once again, I emphasise a long-standing proposal of Sinn Féin for which I have yet to hear a sensible rebuttal. Approximately €40 million was seized solely under the proceeds of crime legislation between 2006 and 2010. We have asked the Government to retain this money for community development purposes. The money is separate from the money seized by the Criminal Assets Bureau consequent to Revenue and social welfare fraud. It is the money taken from drug dealers and criminals who are profiting from the communities they are terrorising. What I propose can be done. The current legislation allows for all moneys collected by the Criminal Assets Bureau to be returned to the Exchequer in accordance with the provisions of the Proceeds of Crime Acts 1996 and 2005. There is no reason this should not happen. It would be an equitable compensation for communities plagued by the criminals in question.

On the bringing in of the legislation regarding the mobile telephones, can the Minister of State elaborate on whether there is a real, clear and present threat of a bomb attack during the G8 summit that we should know about? Under the very high-profile EU Presidency, which we have held for the past six months, we have not had these measures introduced. Some might believe this Bill is being rushed through so it will be in place for a potential attack during the G8 summit. Perhaps the Minister of State or one of his officials will be able to tell us about that.

With regard to the mobile telephone issue, is there potential for the misuse of the legislation by criminals? If they wanted the mobile telephone system in an area to go down, could they hoax a terrorist attack of some sort to use the downtime in the telephone network to their own ends? I am not saying that is possible. I appreciate that what is being discussed is a very serious high-level terrorist threat but wonder whether what I describe has been considered? In jurisdictions where the powers proposed are available and have been used, has any activity of the kind I have alluded to occurred?

I would like the Minister of State to consider the issues I have raised. Sinn Féin supports the Bill. Beidh muid ag tacú leis an mBille seo mar go bhfeictear dúinn go bhfuil sé tábhachtach go mbeadh a leithéid ann.

Senator David Norris: I welcome the Minister of State, Deputy McGinley, whom I know will transmit to the Minister whatever ideas are brought forward today. I am a little concerned about the infringement of human and civil liberties contained in part 3. I am not sure how imminent any threat brought on by the G8 summit is. I presume that Britain and Northern Ireland leaned on us to introduce this legislation.

What provision, if any, is made for emergency services during a blackout period of six hours or more? How can someone with a medical emergency get in touch with the relevant authorities? Must one light a fire and blow smoke signals? We ought to consider these sorts of eventualities if there is a possibility of introducing these measures.

Ireland, as with every other country, has made a hames of the drug question because it did not confront it honestly. We allowed sentimentality to get involved. Legalising marijuana and

other drugs would strike at the financial core. That will not be done for quite a long time.

Senator Ó Clochartaigh referred to the original CAB legislation. When it was passed - which was as a direct result of the late Tony Gregory and not an initiative from Government - I supported it in the House. I tabled an amendment asking that the money which was bled out of the veins of communities should be ring-fenced and reinvested in facilities for young people. If that is what Senator Ó Clochartaigh was talking about, I agree with him 100%.

Cigarette and fuel smuggling have been referred to. I am concerned about section 3, where orders made by District Court judges under section 17 of the 2010 Act are to be made *ex parte* and not in public. There is an increasing concentration of power that is not accountable in this country and that worries me.

I would like to know what PEPs are. We are surrounded by PIPs, PEPs, smeeks, smacks, smogs and all the rest, and I do not know who they are. They might be me. I have been politically exposed for most of my political career. I also had my telephone bugged by a previous Government. Who are politically exposed people and why should they be monitored?

My final point concerns banks. As citizens we already suffer. I see no immense appetite for terrorism in this country. I am sure money-laundering is happening. People try to buy prize bonds to support the tottering State. They have to produce fingerprints, dental records, photographic identification, a utility bill and every other bloody thing. I do not know for what they are looking. We are told it is all to do with money-laundering. The same happens in a bank, where one is not allowed to do this, that or the other because of money-laundering. It is a far-rago of nonsense to protect the banks from the customers because the one thing they loathe, even more than their staff whom they cannot stand, is the ordinary decent customer.

There is already an impact on people. I have never known it to be so difficult to open a bank account, even in a bank in which one already has an account. One has to produce a lot of information. One can almost forget about buying prize bonds because it is so difficult. Money-laundering is what people are worried about. All I can say is that the laundries seem to be doing remarkably well if there is so much of it around. I have not noticed it, but perhaps I am naive and innocent.

Senator Maurice Cummins: I welcome the Bill. Money-laundering and terrorist financing are very serious issues, not just in this country but throughout Europe and the world. Any legislation which we introduce to enhance the techniques of the Garda and other agencies in their fight against money-laundering and terrorism is to be welcomed. The Bill seeks to amend the Criminal Justice (Money Laundering and Terrorist Financing) Act 2010. Deficiencies were highlighted in its operation over the past two years, which is why we have to enhance our compliance with FATF standards following the evaluation of the 2010 Act. It consolidated existing legislation on money-laundering and terrorist financing and brought Irish legislation into line with international standards. It transposed the third money laundering Directive 2005/60/EC.

The Bill is important. People have said it is being introduced because of the G8 summit. There are terrorists throughout the length and breadth of the country. Everything should be done to put them in their place. The Garda and security forces should be ahead of the posse. The Bill is about providing better operational tools and a wide range of techniques and powers for financial intelligence units and law enforcement agencies to investigate and prosecute money-laundering and terrorist financing.

In his initial remarks on the Bill the Minister of State outlined the necessity for it. Money-laundering remains a significant risk to the financial sector. There is growing international monitoring of compliance with AML measures, as evidenced in the UK with the HSBC case and in the US. The Central Bank has made it clear that it regards financial crime and money-laundering as key supervisory concerns. We would all agree with that.

The Central Bank has been active in monitoring compliance with the 2010 Act through its themed reviews and inspection programmes. As indicated, it will continue to carry out such inspections. It has been noted that as part of the ongoing inspection programme the Central Bank is likely to continue to focus on firms with weaknesses in their internal controls, possibly taking the view that such weaknesses can increase the risk of the firm being used to handle the proceeds of crime.

Debate adjourned.

Criminal Law (Human Trafficking) (Amendment) Bill 2013: Report and Final Stages

Acting Chairman (Senator Terry Brennan): Amendments Nos. 1 to 3, inclusive, are related and will be discussed together.

Senator David Norris: I move amendment No. 1:

In page 4, between lines 2 and 3, to insert the following:

“(I) constitutes a felony under Irish law or involves the harvesting of human organs,”.

I thank the Leader for allowing us latitude in bringing forward these amendments. What I am seeking here is information. Subsection 1(a)(d)(ii)(I) of the Bill refers to an activity in a place other than the State which “constitutes an offence under the law of that place and would, if done in the State, constitute an offence”. I am concerned that this might facilitate a loophole in respect of certain activities, particularly organ harvesting. I understand the latter was covered by regulation a year ago, as I learned from the very helpful advisers to the Department. I am concerned, however, that there might be some confusion in this regard.

In respect of the reference to an activity in a place other than the State which constitutes an offence under the law of that place, might there be some barbarous practice which does not constitute an offence in a particular jurisdiction? I do not know, for example, whether organ harvesting is an offence in China, where it seems to be a fairly widespread practice. Whether it is illegal or not, there is no doubt that it is happening. In this context, does the reference to “would, if done in the State” refer to the same state that was referred to in the previous line, namely, a foreign state? It should be absolutely clear that if such action constitutes a serious crime in this country, whether or not it is regarded as a felony in a foreign state, then it will be subject to the criminal law in this country where a practitioner of that activity comes here or where people are availing of his or her services.

As I said, I have a particular concern in regard to organ harvesting. I have a liver problem which may require a transplant at some point in the future. Nevertheless, I would blanch at the notion of going into a hospital in Shanghai, for example, and asking if one of the inmates of

the local prison whose tissue is compatible with mine might be bumped off. The very idea is appalling. I am seeking reassurance in that regard in these proposals and I hope the Minister of State will be able, courtesy of his advisers, to offer it. I realise it is not his particular brief, but I am sure he will be able to explain whether my amendment is justified even from my own point of view, regardless of whether the Government is prepared to accept it. I am hoping for clarification, in short, that a heinous outrage against humanity and decency, whether or not it is an offence in the country where it takes place, will be so regarded in this country and, as such, that we will be in a position to take measures against any perpetrators of that activity who come to this country.

Senator Paul Bradford: I second the amendment. I await the Minister of State's response with interest. Although I expect there will be reasons that he will not be able to accept the amendment, Senator Norris's contribution gives us all pause for thought in regard to our interaction with China in the context of that country's treatment of its prisoners and the harvesting of organs across the prison system. We have developed very strong economic links with China in recent years. In fact, it could be argued that the relationship is getting so close that there is almost a danger of becoming overly-dependent.

As part of our ongoing economic dialogue with China, we should not forget that there must be a human rights dimension to that engagement. Specifically, we should use our evolving relationship to bring about, in so far as a small country like Ireland has a capacity to exercise such influence, an improvement in the human rights situation in that jurisdiction. Our two countries are geographically distant and much of the information we have about China comes from media reports. We have heard of dreadful scenarios where prisoners are being selected for organ donation against their will, with some jails being apparently almost like organ supermarkets.

We are morally obliged to speak out about this. Irrespective of whether our condemnation has any impact, we should at least engage with the Chinese authorities to express our concerns. China is deservedly admired for the huge developments that have taken place there in the past 70 or 80 years. Its people are no longer suffering from famine and the total poverty that existed 100 years ago. Some of that economic progress, however, has come at a huge human rights cost. We must promote the balance between economic advancement and human rights. In so far as we can put any degree of moral pressure on China on an issue like this, we must not hesitate to do so. I ask the Minister of State to speak to his colleagues in the Department of Foreign Affairs and Trade and the Department of Jobs, Enterprise and Innovation about this issue. Our efforts to develop the Irish-China market must not ignore the human rights dimension. Without taking from the progress the country has made, until such time as human rights in China are on a par with human rights in the western world - setting aside the debate on what precisely constitutes human rights - and Chinese citizens have full human rights and freedoms, there will be a stain on our relationship. We should encourage China in so far as we can to advance its human rights agenda. We cannot force a change in attitude on the issue of involuntary organ donation, but we should at least note it.

Senator David Norris: Before the Minister of State replies, I would like to clarify that I did not mention my other amendments because they are merely technical provisions to do with the renumbering of subsections.

Minister of State at the Department of Arts, Heritage and the Gaeltacht (Deputy Dinny McGinley): Amendments Nos. 1 to 3, inclusive, are linked. The first is the substantive proposal, with amendments Nos. 2 and 3 arising out of that amendment. While the Minister

for Justice and Equality understands that these proposals are well motivated, they are unnecessary. One of the specific purposes of section 1 of the Bill is to add the trafficking of persons for criminal activities to the scope of exploitative conduct criminalised by the Criminal Law (Human Trafficking) Act 2008. This will facilitate full compliance with Directive 211/36/EU. In line with that directive, criminal activity is defined in the Bill as an activity that is “engaged in for financial gain or that by implication is engaged in for financial gain”.

Iteration 11 of the directive states that the expression “exploitation of criminal activities” should be understood as referring to the expectation of a person to commit, *inter alia*, pick-pocketing, shoplifting, drug trafficking and similar activities that are subject to penalties and which apply financial gain. This is a non-exhaustive list of criminal offences which includes minor as well as more serious offences. The type of criminal activity a trafficker is likely to force a victim to engage in can constitute serious criminality such as drug trafficking or a minor offence such as pick-pocketing or shoplifting. That is the case whether the victim is trafficked for criminal activities in this State or another state.

As currently drafted, subsection 1(a)(d)(ii) of the Bill is consistent with the non-exhaustive nature of offences covered by iteration 11 of the directive. The construction includes minor and more serious offences and automatically includes harvesting of human organs. The removal of organs without consent or for payment is an offence under EU regulations on the quality and safety of human organs intended for transportation, as set out in SI 325 of 2012. These regulations give effect to Directive 2010/53/EU of the European Parliament and of the Council of 7 July 2010 on the quality and safety of human organs intended for transportation. Under the regulations made by the Minister for Health, it is an offence to traffic, harbour, import or export organs contrary to the regulations and the directive. The regulations set out a framework encompassing the establishment of competent authorities, the authorisation of transportation centres and the establishment of conditions of procurement and systems of traceability. Consequently, in the context of human trafficking for criminal activities, there is no need for a specific reference in the Bill to the harvesting of human organs.

Section 7 of the Criminal Law (Human Trafficking) Act 2008 addresses the issue of extraterritorial jurisdiction in terms of prosecution of human trafficking offences. These provisions will extend to the Bill, when enacted, including the offence of human trafficking for criminal activities. Section 7 of the 2008 Act provides that where a person who is an Irish citizen or ordinarily resident in the State does an act in a place other than the State which, if done in the State, would constitute a human trafficking offence, he or she shall be guilty of an offence. Similarly, section 7 provides for extraterritorial jurisdiction where a person does an act in respect of an Irish citizen in a place other than the State which, if done in this jurisdiction, would constitute an offence. In the circumstances amendments Nos. 1 to 3, inclusive, are unnecessary and I call on the Senators to withdraw them.

Senator David Norris: The Minister of State has given a clear explication of the Bill and the impact of previous legislation. I am now satisfied that my concerns can be allayed in this matter. This is very welcome and I am pleased the matter has been explained. I had made a note to query if SI 325 of 2012 applied in Ireland. The Minister of State has made it clear that these provisions do apply. The position on the concerns I had that were not specified in the Bill has now been made clear.

I thank my colleague and friend, Senator Paul Bradford, for his intervention and moral support. It is a delicate matter because we are being overwhelmed by trade delegations and visits

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of friendship and love from various sections of the Chinese establishment. One has to be wary and keep the balance in pushing human rights. This is important, particularly since the Department of Foreign Affairs was renamed the Department of Foreign Affairs and Trade. We must ensure the trade element does not overwhelm the human rights element.

One must also be wary in the most courteous way possible of Chinese delegations. I met a delegation a few days ago to discuss the situation in Tibet. Only one person spoke, the leader of the delegation, who was a Han Chinese and whose address was in Beijing. There were two people dressed in Tibetan costume as part of the delegation. I am unsure whether they were Tibetans, but in any case they were not allowed to speak. That was rather interesting and it illustrated precisely the problem in Tibet, where there are people whose stooges are not even allowed to comment. When asked directly by the Chairman, they said they agreed with their leader. This clearly illustrates the desperate plight of the people in Tibet.

I share the admiration of Senator Paul Bradford for the Chinese people, their immensely ancient and wonderful culture and capacity to survive. He referred to the famines of 100 years ago, but we need not go back 100 years. The Tibetologists, as they describe themselves, referred to the fact that food was sometimes scarce before the invasion of 1959. That may have been the case, but they did not suffer the extraordinary famine Mao Tse Tung inflicted on them with his great leap forward, which was simply a great leap into a chasm for the many millions who died of starvation. This is perhaps a rather long-winded way of thanking the Minister of State. I also appreciate the comments of Senator Paul Bradford and I am happy to withdraw the amendments. The Minister of State has certainly satisfied my concerns.

Amendment, by leave, withdrawn.

Amendments Nos. 2 and 3 not moved.

Senator David Norris: I move amendment No. 4:

In page 6, between lines 11 and 12, to insert the following:

“4.—The trafficking in human cadavers shall be limited to such medical or bona fide medical and scientific purposes and in circumstances where such cadavers are exhibited for educational or entertainment purposes and/or for gain the proprietors of any such exhibition shall be required to furnish DNA samples of each of the exhibits in order to prevent the criminal use of such material thereby providing for the discovery of the identity of the deceased person.”.

This, again, is a concern. I was horrified to see the return of an exhibition of dead bodies in the Rotunda Hospital. It was heavily advertised and approved of on radio and television and in the print media. I regard it as rather repellent. I watched the public autopsies carried out on television by a German professor. They were certainly interesting and, I dare say, for medical students they might have been of some value. However, when one is exhibiting the dead bodies of human beings, one needs to be sensitive. Recently, when I spoke about this issue in the House, I remarked on the fact that only next door in the National Museum of Ireland outrage had been expressed from some quarters about the exhibition of the bodies of bog people which had been excavated, although I am unsure how genuine it was. Their bodies had been preserved in some cases for more than 1,000 years. It was suggested they be given a Christian burial, although they might not have been Christian. I reckon that is a rather academic argument.

If people are promoting and bringing throughout the world, certainly throughout Europe and America, exhibitions of dead bodies, the provenance of which is uncertain, one is certainly touching a raw nerve in terms of respect for human beings. I have tabled the amendment because of concerns, despite the statements made, perhaps in good faith, by the proprietors of this commercial enterprise, that they are actually the bodies of people taken from China who were down-and-outs and had been found on the streets. I do not believe credible evidence was produced that this was not actually the case. It remains a suspicion that these may be the bodies of individuals whose lives were terminated for one reason or another, including profit, by the prison authorities with the connivance of the regime. I am asking that where there is such an exhibition, especially for gain, or even for education, because it was claimed that this was an educational exhibition, at the least we ask the promoters to provide DNA samples. This would not damage the exhibits.

It seems ghoulish to call them former human beings, but I imagine I can call them this, like the famous ex-parrot in the sketch on television. It would not damage the cadavers because the amount of material to be taken would be minute. At least, if we had DNA examples, it would mean the corpses would ultimately be traceable. In China traditionally they have had a reverence for the dead which has not been extinguished by communism or the ridiculous system of capitalism they now have, as well as a reverence for the human body. The families concerned would know, once and for all, if it was their family members who were being exhibited. They could then reclaim the bodies and give them a decent burial. The cadavers are not 1,000 or 2,000 years old; they are the bodies of people who, undoubtedly, have living relatives. They should be treated with respect and we have an opportunity to ensure this will take place in this country, in particular.

Once again, I look forward with great interest to hearing the explanation and response of the Minister of State who was able to demonstrate convincingly on the first amendments that the concerns expressed were addressed in other legislation. It is possible that these concerns are addressed also, but there is no mention of anything like this in the Bill. I am, therefore, keen to hear what the Minister of State has to say.

Acting Chairman (Senator Trevor Brennan): Is the amendment being seconded?

Senator Sean D. Barrett: I second the amendment.

Senator Aideen Hayden: I think what Senator Norris is alluding to is some of the concern expressed publicly when the Bodies exhibition was touring Ireland. There was more than a suggestion that the provenance of some of the bodies on display was deeply suspect. Senator Norris is to be congratulated for putting forward this and the previous amendment.

There is no doubt that what we would regard as normal and good human practice is not necessarily that followed in other jurisdictions. It is obviously a matter about which we need to be concerned so that we do not find ourselves accidentally and unintentionally lowering our own standards in some way that we would regard as unacceptable if we had given it more consideration. I was struck by the aspect of the Bill that includes extra-territorial measures, which is to be welcomed. It does reflect some of the extra-territorial measures introduced in the female genital mutilation legislation which we passed last year.

At some levels, human beings and their bodies are being treated like a sideshow. That is repugnant to the ordinary Irish person. We have to be careful too that when we talk about educa-

tional or entertainment purposes we distinguish between what would be regarded as educational and what would be regarded as entertainment. I would certainly draw a significant distinction between those two.

Unless of course the Minister can show it is entirely unnecessary, I support the spirit of Senator Norris's amendment. However, in the context of educational purposes, is it possible to provide the DNA evidence required as suggested in the amendment? Will the Minister address that question?

Senator Martin Conway: This is an interesting amendment. The spirit in which it is proposed will be taken into consideration. In this world of social media, Senator Hayden is correct in saying that we should not lower our standards, even unintentionally. It concerns me sometimes, with the explosion of social media, that society's standards are moving in the wrong direction. This is an informed contribution made by Senator Norris and I hope it will be reflected in the final draft.

Senator Maurice Cummins: I wish to amend the Order of Business to the effect that No. 4, Criminal Law (Human Trafficking) (Amendment) Bill 2013 - Report Stage, will conclude at 5.55 p.m.

Deputy Dinny McGinley: The Minister fully understands the motivation behind this amendment and the concerns of Senators Norris, Barrett and others arising from the recent Bodies exhibition in Dublin. However, the Department of Health is preparing legislative proposals for a human tissue Bill which will provide for the regulation of the public display of bodies or body parts. It is envisaged that the proposals would include a licensing system for the public display of human bodies or body parts. Persons wishing to import bodies or body parts for public display will be required to have documentary evidence of their origin, evidence of consent from the donor for the proposed use and evidence of compliance with the legal requirements of the country of origin of the bodies or body parts. These legislative proposals are expected to be brought to the Government for approval later this year. In the circumstances, I am sure Senators Norris and Barrett will understand that this is not a matter relevant to the remit of the Minister for Justice and Equality. Perhaps the Senators will consider withdrawing this amendment.

Senator David Norris: I thank my colleagues for their moral support in this matter. I value what Senator Hayden said but with regard to the point about educational purposes, perhaps I should have used the phrase "purported educational ... purposes". Even so, it is such a minor procedure to take a DNA test. Accordingly, it would not be too excessive to ask for one, even where a display purports to be educational. The proprietors of these exhibitions always describe them as educational, but everything is educational if it needs to make a profit. That is my concern and I was not really thinking of genuine educational displays. However, there could even be a mistake with the sourcing of cadavers in such situations. One can go back to the days of Burke and Hare and the corpse stealers.

I am happy with the Minister's reply. I take it the preparation of the human tissue legislation means it is a firm commitment and that it will be introduced by the end of the year. On that basis, I am prepared to withdraw this amendment. While I do not see why we cannot put it into this legislation, and it would be good for the Seanad, there has been a Government ruling that it will not accept it. It has given an undertaking to this House that this will be dealt with in other legislation. I take it as another example of the Seanad being helpful and supporting the Government in what is a necessary move. I was not aware the Government intended to introduce such

legislation but it is excellent that it is prepared to license these exhibitions and look for consent from the donors. There may well be people who would consent. Some people are exhibitionists in life; some are prepared to be exhibitionists post mortem. I shall have to consider my own position in this matter very carefully.

The Minister has satisfied my amendment. Like *The Skibbereen Eagle*, Seanad Éireann will be keeping its eye on the Department of Health to see if it will produce this legislation by the end of the year. If not, we will morally reprove the Government for breaking its promise. I am grateful to the Minister and to his advisers for providing this useful information, which is very welcome indeed. It may well be the result of the fact that several people raised this matter in the House when no one else did.

Senator Trevor Ó Clochartaigh: On a point of order, the Minister stated this amendment was not relevant to the nature of the Bill. Sinn Féin's amendment No. 5 was ruled out of order on the same grounds. The point I am making is that we were allowed to debate amendment No. 4 but we are not allowed our amendment No. 5.

An Cathaoirleach: We ruled that amendment No. 4 was in order but amendment No. 5 was out of order because it involved a potential charge on the Exchequer.

Senator Trevor Ó Clochartaigh: The Minister stated he was not accepting amendment No. 4 because he felt it was not necessary to the nature of the Bill. I am just noting that.

An Cathaoirleach: Senator Norris, is the amendment being withdrawn?

Senator David Norris: I support Senator Ó Clochartaigh. As I said the other day, it is possible to rule out any amendment tabled in the Seanad on the basis that it causes an expense to the Exchequer. The very printing of an amendment causes an expense. This is utter nonsense. When we reform the Seanad, I hope we will do away with this absurdity-----

An Cathaoirleach: Can we stick to the amendment?

Senator David Norris: -----that we rule out so many valuable amendments that would improve the welfare, morally and politically, of this country.

Amendment, by leave, withdrawn.

An Cathaoirleach: Amendment No. 5 has been ruled out of order as it involves a charge on the Exchequer.

Amendment No. 5 not moved.

Bill received for final consideration.

Question proposed: "That the Bill do now pass."

Senator Trevor Ó Clochartaigh: I welcome this important Bill and we had a good debate on all Stages. I am disappointed that we went through serious issues on Committee Stage which were not dealt with by the Government in subsequent Stages. We hope it will return to these in the future, particularly the issue of assistance given to people who find themselves trafficked into this country who may need extra legal help and social supports. We look forward to future legislation that will bring us closer to implementing the full EU directive, No. 36 of 2011, as we outlined on Committee Stage. While the Bill is to be welcomed, the Government could

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have taken on board more of the positive points we made on Committee Stage. It could have introduced its own amendments on Report Stage and made this an even better Bill than it is at present. Táimid ag tacú leis an mBille. Táimid sásta go bhfuil sé ag teacht tríd na Tithe.

Senator David Norris: I am grateful to the various Ministers and, in particular, their advisers, who were most helpful during the debate on this Bill. They clarified matters and allowed us to ventilate them to our satisfaction. I think it was a good day's work. I am grateful to the Leader for giving us an opportunity to have these amendments discussed.

Minister of State at the Department of Community, Rural and Gaeltacht Affairs (Deputy Dinny McGinley): On behalf of the Minister for Justice and Equality, I thank Senators for their contributions to today's debate, their co-operation and their understanding. The Bill was initiated in the Seanad and will now progress to the Dáil. It was mentioned on Second and Committee Stages that a small number of matters are still being considered. In particular, issues relating to the video recording of child interviews to be used as evidence in criminal proceedings are being examined. It was not possible to introduce official amendments today. They will be introduced in the Dáil and returned to the Seanad for consideration in due course. I thank the Seanadóirí and the Cathaoirleach for their co-operation.

Senator David Norris: I would like the Minister of State to try to seek an undertaking from his colleagues in this regard. In the future, when Government amendments that are consequent on Seanad debates are being considered, those amendments should be registered with the Seanad in the first instance, rather than going to the Dáil, so it is clear to the public that this House is doing its work.

Deputy Dinny McGinley: I believe that can be arranged.

Senator David Norris: I thank the Minister of State.

Question put and agreed to.

Non-Use of Motor Vehicles Bill 2013: Second Stage

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

Minister of State at the Department of Communications, Energy and Natural Resources (Deputy Fergus O'Dowd): Is cúis áthais dom é an díospóireacht seo a oscailt sa Seanad. The primary purpose of this Bill is to provide for a system of declaring vehicles off the road in advance for motor tax purposes. This will close a loophole whereby owners can declare retrospectively that a vehicle has not been in use on the public road, which is unverifiable. Under the existing system, a retrospective declaration can be made on the motor tax renewal form that the vehicle was off the road. While the owner's signature is witnessed by a garda, there is no requirement on the garda to verify the veracity of the statement made by the owner. There is no doubt that in many instances, owners risk driving for a month or two without tax. If they are not stopped at a Garda checkpoint during that time, they subsequently declare that the vehicle was off the road, thereby avoiding motor tax arrears. They can then tax the vehicle from the start of the current month. This is unfair to the majority of people who are compliant. As a consequence of the increasing use of such declarations, moneys are being lost to the local

government fund, which provides funding to local authorities and the roads programme of the Minister for Transport, Tourism and Sport.

An analysis of Garda-witnessed vehicle licence exemptions showed that 539,000 such declarations were made during the 12 months to the end of July 2012. The value of those declarations was over €110 million, of which €22 million related to changes of vehicle ownership. The remaining €88 million related to exemptions not linked to change of ownership, with the majority of such declarations being made for periods of between one and three months. While some declarations will be genuine, obviously, it is suspected that there is widespread abuse, potentially costing up to €55 million per annum. The implementation of the measures contained in this Bill could increase the income from motor tax by up to this amount, although residual levels of evasion may remain. It will be necessary to make provisions for genuine periods of non-use of a vehicle, for example, in cases of illness or work overseas. It will be possible to make a declaration in advance for periods of between three and 12 months, the same minimum and maximum periods for taxing a vehicle. The declaration must be made at any stage in the month before tax is due to expire. The 2011 annual report of the Comptroller and Auditor General also contained a chapter highlighting the level of motor tax evasion and recommended that a more robust system be put in place to deal with vehicles being off the road. The system provided for in this Bill conforms to an important element of these recommendations.

I wish to set out the specifics of the proposed arrangements. As I have indicated, a declaration of non-use must be made in the month before motor tax or an earlier declaration of non-use expires. However, owners of new or newly-purchased vehicles will have ten days from the date of purchase to furnish a declaration if the vehicle is not to be used immediately. The vehicle can be declared off the road for any period, in whole months, of between three and 12 months. In the month before the declaration expires, the owner will receive a renewal notice and can then either tax the vehicle or make a further declaration of non-use, again for a period of between three and 12 months. The vehicle can be put back on the road at any time during the period specified in the non-use declaration by taxing the vehicle from the start of the month in question. The non-use declaration will then be deemed to have been withdrawn or cancelled. A vehicle may be used during the period of a non-use declaration solely for the purposes of bringing it to or from a test centre, or bringing it to or from a premises for repairs when an appointment has been made with an authorised tester after the repairs have been carried out for a subsequent test.

The Bill creates an offence of making a false or misleading non-use declaration with liability to a fine of up to €4,000 and-or six months imprisonment on summary conviction. This will be in addition to the existing penalties for non-display of a valid motor tax disc. While the Bill provides for an administration fee to be prescribed, we do not plan at this moment to prescribe a fee. The emphasis is on ensuring vehicle owners take the opportunity to regularise their affairs. There will be a three-month transition period in which to do so. Following that period, it will no longer be possible to make a retrospective declaration of non-use. The Minister intends to widely publicise the proposed changes in the coming months with a view to ensuring motorists are aware of their obligations in this regard. The Bill also contains provision to make the Minister for Transport, Tourism and Sport a licensing authority. Responsibility for the national vehicle and driver file, which administers motor tax online, was transferred to the Minister for Transport, Tourism and Sport in 2007, while the Minister for the Environment, Community and Local Government retains responsibility for motor tax policy. The provision sets out the role of the Minister for Transport, Tourism and Sport more clearly. This change will have no bearing

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on the flow of income to and from the local government fund. Income from motor tax online will continue to accrue to the fund and will continue to be allocated between roads and general purpose grants in line with agreed protocols.

6 o'clock

The Bill contains provision for transitional financial arrangements following the transfer of the driving licence function from licensing authorities to the Road Safety Authority. With the introduction of a plastic card driver licence from January 2013, responsibility for driver licensing transferred from local authorities to the RSA. The RSA has put arrangements in place for the issuing of plastic card licences. They are also proceeding to centralise front and back office operations. However, as all elements of the new arrangements are not yet operational, the RSA has made arrangements that local authorities will continue to provide these services for a transitional period, expected to be until September 2013. During this time, all driver licence revenues will continue to be deposited in the Local Government Fund, LGF, with the portion of these revenues derived from the increase in driver licence fees that took effect from January being paid from the fund to the RSA. The Bill also provides that the cost to local authorities of providing the driving licence service can be taken into account in deciding on allocations from the LGF to the local authorities. When the new structures are fully established, all driver licence revenue will flow to the RSA.

I would like to bring the attention of the House to the provisions of section 6, where it is provided that monthly arrears are to be charged at one tenth of the annual rate of motor tax. In the course of drafting the Bill, it emerged that the legal power to charge a penalty rate for arrears of motor tax was inadvertently removed from primary legislation some years ago. Notwithstanding this, monthly arrears continued to be set at one tenth of the annual rate and charged at the current motor tax rate - that is, the historic rate was not applied if the arrears period straddled an increase in motor tax. Once the problem emerged in October 2012, the Minister revised the arrears rate to one twelfth of the annual rate of motor tax per month. There were 375,000 instances of overcharging totalling €3.8 million in 2011, with the average payment just over €10 and 93% of payments under €20. The costs associated with directly repaying the excess tax charged would, in a large proportion of the cases, exceed the amount of money due to the individual.

In regard to the charging of arrears at the current rate of tax when the arrears owed straddle a change in the rate of tax, this is of significance for a number of months immediately after an increase in motor tax rates. Calculating arrears based on a split calculation creates difficulties in the national vehicle driver file, and it is not intended to provide for refunds of tax where arrears straddle a rate increase. In regard to the rate increase from 1 January 2013, it is estimated that the overcharging amounts to less than €10 in over 92% of cases and less than €20 in over 98% of cases. Given the need for a deterrent against late payment of tax, the Bill reinstates the monthly arrears rate at one tenth of the annual rate of duty at the current rate of motor tax. However, arrears payable during the transition period will remain at one twelfth in order to encourage those in arrears to bring their tax up to date.

To conclude, I wish to stress that the new arrangements being proposed in this Bill will not impinge on compliant taxpayers in any way. This is an anti-evasion measure and is designed to close off a loophole that is being widely abused. Those who need to take their cars off the road for any reason will be facilitated, but they must notify the motor tax authorities in advance.

Senator Paschal Mooney: I welcome the Minister. While Fianna Fáil supports the Bill, we have some concerns. For example, the move towards in-advance declarations will reduce the scope for tax evasion but must be properly enforced in order to be effective and to have a positive impact on State revenues. Car owners should not be unfairly charged for making an off-the-road declaration, given that they will not be using that vehicle on the roads.

While efficiencies are welcome, the Government's transfer of driver licence issuance to the RSA, away from local authorities, is, in our view, symptomatic of a broader agenda by the Government to emasculate local government by stripping it of its powers. We had this debate in the House at the time, and it was made clear by us and others that this was yet another example of the removal of a function of local authorities. It seems to be set against the Government's stated agenda, which is to try to give more power to local authorities, and it was not possible to understand why this function was being taken away. However, this situation has been enshrined further in this Bill.

The Bill is to provide for a prospective system of declaring vehicles off the road for motor tax purposes, which is being done in order to reduce tax evasion. It seems the last major road-side survey of the extent of the problem was held as far back as 2001 and found there was a 5% non-compliance rate. More recent figures based on vehicles passing through the M50 toll on four dates in 2010 and 2011 showed that approximately 7% did not have up-to-date motor tax discs. If the evasion rate is 5%, this means approximately €50 million in revenue is lost each year in motor tax evasion, but this may be as high as €88 million. Nobody can stand over those figures. Certainly, at a time when local authorities are cash-strapped, and given that much of the money is going back to local authorities, any effort to address this issue of evasion is to be welcomed.

We suggest the Bill will have a positive environmental impact in that owners may be more likely to go to legitimate waste operators when scrapping cars in order to obtain a certificate of destruction as, without this, owners may be liable for the off-the-road declaration indefinitely. There is one aspect I am curious to know about. What happens, for example, to a car that is involved in an accident where the local garage owner decides that, while the car could be restored to roadworthiness, it will not go back on the road and will be left until such time as the parts are sold, but it is not actually destroyed and the car is still an entity? What is the law in this regard and does the *status quo* apply? I understand the normal procedure is that a garda would sign an off-the-road declaration, which is then legally valid. Does this situation change under the new law? In that context, the Minister of State might clarify what happens to those cars that are already disposed of but that have not received a certificate of destruction, given that the two questions are related.

The prevention of continuing abuse is dependent on sufficient enforcement by the Garda and we feel that industrial disputes with members of the Garda Representative Association could undermine the impact of this Bill. The decision of the GRA, for example, to exercise its discretion and not issue fines for revenue-gathering offences, including motor tax offences, undermines the capacity of the Bill to raise revenue. The Minister of State might have a view on this. We would suggest this is part of the consequence of the somewhat dangerous adversarial and contemptuous approach by the Minister towards An Garda Síochána, as exemplified in recent weeks.

In light of these issues, it has been suggested that consideration could be given to creating a system similar to that being used for speed check cameras, whereby the detection of motor tax

evasion could be contracted out to a private firm. Alternatively, given that many of the country's tollbooths record the registration numbers of the vehicles passing through them, it could be possible to use this information, with appropriate legislative foundation.

Once again, I emphasise that enforcement is the key to successful implementation of this Bill. The prospect of charging for off-the-road certificates was raised and the Minister of State pointed out that this would not be included, at least in the initial years. However, we suggest it would be deeply unfair for drivers to be charged for non-operative vehicles that are not being used on the roads.

As I said, the Bill provides for transitional financial arrangements following the transfer of the driving licence function from licensing local authorities to the Road Safety Authority. While Fianna Fáil supports the EU directive standardising driving licences across the Continent, due to the obvious conformity and security benefits, the removal of the role of local authorities does reflect a broader emasculation of local government. For example, Cork County Council offers an on-the-spot licence renewal system that will now be lost with centralisation. It is important that we recognise the benefits local flexibility can enable, and not simply engage in knee-jerk centralism.

On another aspect, is there a suggestion that the flexibility that is built into the current system, whereby gardaí can give a period of grace of up to one month to have one's motor tax renewed, is being removed completely? While I am not sure this comes within the scope of the Bill, the Minister of State might advise whether there is any change in this discretionary provision. What is the legal situation in regard to a driver whose tax is perhaps a week or two out of date?

Senator Cáit Keane: I welcome the Minister of State and the Bill. The closure of a loophole that costs the State in excess of €55 million per annum must be welcomed. We all abhor tax avoidance and loopholes. This solves a problem and I congratulate the Minister for bringing it forward. The new arrangement for making off-road declarations in advance will make no difference to those maintaining their vehicles on the road and paying tax correctly and will only require those planning to take their vehicle off the road to notify this fact in advance rather than retrospectively. The Bill also provides for transitional financial arrangements, following the transfer of the driving licence function from the licensing authorities to the Road Safety Authority.

Motor tax is payable on most vehicles used in public places. Approximately €1 billion is paid into the local government fund from motor tax each year and that will not change. Currently, it is possible to claim back motor tax if more than three months remain on the tax certificate and a declaration is made that a vehicle will be off the road for a certain period. If motor tax has lapsed and a period elapses prior to renewal, it is possible to declare the vehicle off the road for that period and thus avoid paying tax for the period. The making of a declaration is not verified. Evidence shows there is a problem with false off-the-road declarations being made with a consequent loss to Revenue. Since 2010, only 160 cases have been taken in respect of the offence of making a false motor tax declaration. The Bill is aimed at stamping out this tax evasion and closing off a loophole that has been there for too long.

However, I do have a few small issues with the Bill that would affect a small number of vintage car enthusiasts. Their hobby is threatened by aspects of the Bill and a small number of changes would make a big difference in this respect. The implementation period is three

months. I do not know if every vintage car owner in the country or possibly people who do not know they have a vintage car would be aware of this. In his statement, the Minister of State spoke about publicising it. Is three months too short? Perhaps the Minister of State would look at extending the period or making sure an extensive educational campaign is undertaken to ensure that everybody with cars sitting around are aware of it.

Many people buy vehicles for future restoration as they become available. More often than not, there is not an immediate change of ownership. Section 7(9) of the proposed Bill requires the person seeking the declaration to be the registered owner of the vehicle. To fulfil this, the vintage enthusiast may need more than three months. Sometimes, change of ownership of a vintage car is not as straightforward as buying a new car. Could the Minister of State look at changing the time period from three to six months? A large number of enthusiasts will have emigrated in the recent past and put their cars in storage. It may be difficult for them to get everything sorted in the short time frame if the car is locked up. I am only talking about classified vintage cars. There are many forgotten classics in barns and sheds all over Ireland. Some Members may know of relations who put the car in the shed and forgot about it. It turned out to be a very valuable car, the elderly owner died and the car is now in the stewardship of a family member who does not know it is a vintage classic or a valuable car. The Bill may be enacted without them realising this so the three-month period could easily pass them by unnoticed. All those owners wish to be compliant with the law but through default, they might find themselves with a huge bill for arrears.

Under the current proposal, the declaration will have to be made annually. The Bill does not state how this will occur. Will local authorities, or some other body, have to contact the vehicle owner annually to remind them? If so, will this place a large cost on the State? It is also dependent on the owner resubmitting the declaration. I suggest that serious consideration be given to putting the onus on the owner to make the declaration that the car will be off the road until such time as the owner wishes to put it back on the road rather than having the State follow up on an annual declaration. How will it be followed up? This approach has been implemented in the UK version of this system since early 2013. The statutory off-road notification has been in operation in the UK for many years and has proven to be a successful model to take lessons from. This move to an off-the-road declaration for life rather than on an annual basis would no doubt save millions in administration costs and make the system more workable for the reasons below because there are administration costs for licensing authorities, which will probably be the local authorities. If they must follow it up, it will cost money. Vehicle owners will not be able to say they forgot to renew the declaration or they did not realise it had expired. There is no excuse for them not doing it. There is no onus on the vehicle owner to remember to do this annually. There is no loss in revenue to the State or local authority as there is currently no charge for the declaration. A declaration for life will not affect the implementation of the Bill in any way and will make management and enforcement of the Bill much easier. The majority of vintage car owners' cars are off the road for periods far longer than a year. The Minister of State referred to cars that were off the road for long periods of time.

With regard to arrears and fines, I agree that it is only right and fair that there are strict and heavy fines for people not abiding by the laws of the State. There is an issue with charging arrears that will affect the hobby of vintage owners. As regards arrears for vintage cars stored in sheds, the owner might decide to scrap the vehicle rather than pay the arrears. One could lose a good classic vintage car that way. We could end up with a situation where there would be no vintage cars or very few on the road. What happens if it comes to light after 20 or 50 years?

They are a much sought after commodity on the open market so could the Minister of State see how it could be dealt with? Is there a special case for vintage car owners or registered vintage car owners?

While under the current proposal, there is no administration charge, there is provision for one to be added in the future, with certain exemptions. In the explanatory memorandum published alongside the Bill, it states that cars with an annual tax rate of under €119 will be exempt from possible administration charges. This gives rise to a number of issues. It is not clearly outlined in the explanatory memorandum or the Bill and no figure is mentioned. This may be changed due to its connection to other sections of other Bills. Would cars eligible under the vintage tax rate be exempt from this charge? Has the Minister of State considered this administration fee for vintage car owners or an exemption for vintage cars?

I acknowledge the role of An Garda Síochána in enforcing the law in this area. It issues and collects the fixed penalties for failure to update tax discs and initiate prosecutions where fixed charges are not paid. The Courts Service is responsible for the collection and processing of fines in respect of motor tax offences. According to the Comptroller and Auditor General's report for 2012, the number of Garda-witnessed off-the-road declarations increased by 40% in the period from 2008 to 2011. During the period, more than 1.1 million off-the-road exemption gaps were declared with a total value of more than €226 million. While a substantial proportion of declarations made are probably legitimate, it is also likely that some are not. The role of the Garda is simply to witness the signature, not to confirm that the vehicle was off the road for the declared period.

The 2012 figures from the Comptroller and Auditor General show that half of the non-taxed vehicles recorded using the M50 were taxed three months later. What does that tell the Minister? However, payment covered the travel period recorded in less than half of these cases. More than 5,000 individuals who renewed their motor tax made a declaration that their vehicle was off the road although that vehicle had been recorded on the M50. Between 2008 and 2011 more than 185,000 fixed penalty notices were issued for failure to display an up-to-date tax disc. Approximately 145,000 of these vehicles were later taxed.

There is clearly a need to undertake measures to stop motorists from evading motor tax by retrospectively declaring that their vehicles were off the road. It costs the taxpayer more than €55 million per annum and it is hard to find fault with the rationale behind a law that will close a loophole that allows people to do this. I support the Bill and its passage through the House. I ask the Minister of State to take into consideration the issues I raised in respect of the vintage car owners and the culture surrounding that hobby and the administration of the tax involved including the arrears and fines.

Senator Sean D. Barrett: Cuirim fáilte roimh an Aire Stáit. Tá pointí suimiúla sa reachtaíocht seo. Is dóigh liom go bhfuil an Teideal mícheart ar an mBille, áfach.

I thank the Minister of State, as always, for coming to the House. We always have good debates when he is here. He is supported on all sides of the House for trying to clamp down on the evasion of motor tax. However, in some cases, as Senator Keane mentioned, it might not be a matter of evasion and it may relate to the nature of what is going on in the economy. The business of car hire companies is not even throughout the year. They have to make a gamble in putting their cars into the various airports throughout the country without any guarantee that they will be hired. What is the position in that respect? There are difficulties in anticipating in

advance how the tourism season will go and I am saying that at a time when there is optimism in that sector.

The same issue applies to plant hire companies. Their outlook has been very bad but it may improve. We hear plans for increases in capital expenditure but there was an immense decline in such expenditure in the past five or six years. It might be difficult for those companies to gauge the level of business they would have and how they should arrange the taxation of their vehicles.

Dublin Bus has a huge car park at Pace near Dunboyne that was built to facilitate rail commuters to and from the Docklands, Connolly and Pearse Stations. Dublin Bus has many buses parked there and it obviously felt there were good prospects in having that facility there but this was before the recession started to bite.

There are 5,000 fewer taxis on the road, and this is an issue we discussed with the Minister of State, Deputy Kelly. The number of taxis has decreased by 5,000 since 2008. We have to allow people to adjust to what is happening in the economy and to be flexible, being mindful that nobody in this House will support anybody engaged in tax evasion or avoidance. The Minister of State has our support on that.

Ideally in economics, and this relates to what Senator Keane said about the M50, the charge should be for using the road. That is where the cost arises for the State and perhaps increasingly more of the cost of road use should be taken through tolls or through the kind of monitoring that is done on the M50, and in a sense the fuel tax covers that in any event. Possession of a vehicle does not necessarily involve the Minister of State's Department in any expenditure, rather it is the use of the vehicle that requires his Department to construct and maintain roads.

With the recession, there is a seasonal migration of people from places such as Donegal and so on. Can arrangements be made to collect the tax when cars are used in this country as opposed to when the cars are not in use when people are in other countries? The level of migration from Ireland unfortunately has increased substantially during the recession. Those issues are covered in the Minister of State's speech and he has shown himself to be flexible but not where evasion is concerned. He has caught the feeling of the House and I hope he will be able to address some of those points.

On the Title of the Bill, the simple point is that the Title "Non-Use of Motor Vehicles" absolutely describes what is in the Bill until one gets to Part 4, which deals with the amendments of sections 4 and 6 of the Local Government Act 1998 covering arrangements for the payment of motor tax into the local government fund, the transfer of the driving licence function to the RSA, allowing payments from the local government fund to the RSA at section 12(a), provisional arrangements and the cost of administering them and so on. As Senator Mooney said, the evasion rate of 5% is costing us €50 million annually, and we are talking about €1 billion in this context. There is a considerable amount to be disbursed and controlled and, as the Minister of State mentioned, the Comptroller and Auditor General has investigated it. I am in agreement with both parts of the Bill but the part at the end of the Bill is completely different and does not refer to the non-use of motor vehicles. Rather it refers to the use of vehicles, the taxes to be paid and how those taxes worth more than €1 billion in revenue are to be dispensed. In the era of transparency the Title of the Bill should reflect what is in it. What the Minister of State seeks to do in both parts of the Bill is important and I support it but the Title should incorporate that. A person trying to figure out the details of how this €1 billion plus is disbursed would need to be

fairly inspired to know that the rules are contained under the Non-Use of Motor Vehicles Bill. I will leave that with the Minister of State. It is not a matter I would push at any Stage of the Bill. The Title of the Bill in general should reflect what the Bill seeks to do. This Bill will do two important things. I wish the Minister of State the best of good luck with both, but the later one should feature in the Title.

Senator Denis Landy: I welcome the Minister of State to the House. I do not want to go over the ground that has been covered and, therefore, I will deal with only a few issues. I welcome the legislation. It makes a good deal of sense. I come from rural Ireland like the Minister of State and travel lesser roads to get on to good roads. I travel many bad roads to get on to the motorways. Funding is needed to repair the roads, particularly following the weather last winter.

I would like question the Minister of State a little on the opportunities the Bill will provide for people in this area. He referred to the fact that there will be no administrative fee under the legislation to have this facility covered provided. If there is not be a fee, there should be a requirement that people would have to prove that what they say is genuine. The current position is that people can make a declaration regarding the non-use of their vehicle at their local Garda station. From the statistics we have been given, more than half a million people called to Garda stations in 2012 to declare that their car was off the road for so many months and they were credited for that and basically got away with it. If a fee is not to be charged, could there be a link with the insurance provider such that the insurance certificate provided by the insurance company would state that the car insurance premium was put on hold for a period because the policyholder went abroad, was ill or whatever the reason may be in order that there should be some type of a verification system? People will continue to try it on and such evasion amounts to €50 million per annum in loss revenue.

I support what Senator Mooney said about the transfer of the licence function from the local authorities to the RSA. I have spoken on that previously in the House and I do not support it. It will constitute a diminution in the powers of local government and local authorities. I want to put on the record that I believe it is a retrograde step.

I wish to ask the Minister of State about the provision to be able to declare the non-use of a vehicle for a period between three months and 12 months. A person could have his or her vehicle off the road for two months while he or she was being hospitalised and no account can be taken off that. I would like the Minister to reconsider that provision.

The Bill provides that a person can drive his or her car to have an NCT carried out or to take it to the garage in preparation for the NCT. That is a loophole. There is an opportunity for a person to set the date for the NCT, to move it forward by way of a telephone call, use the car to go to the garage on the day he or she is stopped and have a text to show the Garda the car is being taken to the garage as the NCT is due. The legislation allows for that. There is a need for a proviso to tighten the legislation in this area.

I wish to refer to the amount of money that is being lost in this area. A survey conducted on the M50 on four dates between 2010 and 2011 on the M50, as mentioned by Senator Cáit Keane, showed that 5% of vehicles had no tax for at least a month. When those figures were followed up we did not see the same number of tax evasion cases coming forward. In 2012, the Garda witnessed more than 500,000 off-the-road vehicles. Yet when we look at the figures, they do not stack up. Something appears to be going on.

This takes me to the next issue, the certificate of destruction. As the issue was discussed in the other House, the Minister will be familiar with what I am talking about. In 2009 only 21,000 certificates of destruction were issued, while it is estimated that in the same year 150,000 cars were taken off the road. That means that approximately 130,000 vehicles are unaccounted for, some of which, as Senator Cáit Keane said, could be in Granny's shed or elsewhere, but they are certainly unaccounted for in the system. That is not good enough. We need to find out where these vehicles are. Are they the vehicles that young men and women buy for €50 each, drive for two or three days, abandon in forests and in some cases set on fire, or are they vehicles that are being broken up? It is clear from various Internet sites, when cars for sale are investigated, that three or four cars can make up one car. We need a system that can track down these vehicles. There is an opportunity here for the Minister to deal with that difficulty.

I welcome the fact that motor tax is not charged on vehicles in the stock of car dealers. There is another issue in respect of car dealers - that is, side-of-the-road car dealers who may have 12 or 15 cars on the grass verges of roads. I hope those people will be required to pay motor taxation on all of those cars, because they pay no rates and in some cases no income tax. I would like to see the Minister cracking down on those people. They are undercutting legitimate and compliant garages across the country and skirting the law. I hope the Minister will ensure specifically that they are not included in the provision whereby dealers in the trade do not have to pay motor taxation.

There is also the issue of fake tax discs. When the Garda requests a driver to stop, particularly in the evening, a flashlamp is shone on the tax disc and, if it appears to be in order, the driver is waved on. The Garda has no system to verify with the motor taxation office, which will eventually be the Road Safety Authority, whether a tax disc is legitimate. There is a need to examine that issue. Given modern technology, there should be a scanning device to ensure the discs are legitimate. I am aware from speaking with younger people who are technologically capable that they are able to make up discs and sell them on the black market. When the drivers are requested to stop at legitimate Garda checkpoints, following a cursory look, they get over the line. This is what is happening. The Minister is doing excellent work in this Bill but an adjunct is to ensure that everybody pays motor tax correctly in order that money can be provided to upgrade the roads.

Senator Kathryn Reilly: I welcome the Minister. I will keep my comments brief, as most of what I wanted to say has been covered. Like previous Senators, I welcome the Bill. I share some of the concerns highlighted. Non-payment of tax has been in the news recently, whether by multinational corporations taking advantage of specific loopholes in the tax code or by ordinary citizens taking advantage of loopholes in the current vehicle excise duty code. The net result is the same, as tax revenue is lost and the rest of us lose out. It is estimated that the amount of lost revenue from motor taxation is more than €50 million annually. To put that in perspective, that money would more than fund the roll-out of free GP care to 60,000 people on the long-term illness scheme. An extra €50 million would allow the Government to reverse the cuts to the mobility grants or the cuts to home help hours and home care packages in the budget. That is the human cost of tax evasion and the reason there is never an excuse for any kind of avoidance or evasion. Given the effects of recent budgets, every effort needs to be made to ensure due taxes are paid. Clearly there are significant problems with the current system of registering off-the-road vehicles and there is plenty of evidence that these have been exploited, the outcome of which has been that less money is available for road works, road improvements and road upgrades. The situation is particularly acute on secondary roads. Sometimes it is a

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case of “spot the road” as one tries to pothole-dodge on certain roads. Any increase in the level of compliance must be welcomed. One of the main areas of concern is that the Bill provides for a registration fee to be prescribed. I am aware the Minister has said he does not plan, at present, to prescribe a fee, but such a provision is unnecessary. I would like an assurance from the Minister that any extra revenue raised due to the changes contained in the Bill will be ring-fenced for local government funding, with a specific focus on road repair and upgrading.

Minister of State at the Department of the Environment, Community and Local Government (Deputy Fergus O’Dowd): Ba mhaith liom mo bhuíochas a ghabháil le gach duine a ghlac páirt sa díospóireacht seo. I wish to respond to some of the questions, and others can be responded to on Committee and Report Stages, which will be taken later.

The primary purpose of the Bill is to close off evasion. Tax evasion hurts the compliant. Failure to pay tax imposes a greater burden on all those who are compliant. The system which was intended to allow people who genuinely had a vehicle off the road to make a statement in a Garda station has been significantly abused. There were many calls to close this loophole and that is what is being done. I welcome the support of all Senators anseo. The measures are a key first step in addressing the recommendations set out in the Comptroller and Auditor General’s report.

It is important to recognise that the action programme for effective local government is designed to strengthen and modernise the local government system. We are seeking to transfer new functions back to local authorities. This is an ongoing process. The most recent instance in this area is the creation of new local employment offices in local authorities. The Minister for the Environment, Community and Local Government, Deputy Phil Hogan, and the Minister for Jobs, Enterprise and Innovation, Deputy Richard Bruton, launched the first local employment office in Fingal last week.

In regard to damaged cars, the possibility of making an off-the-road declaration will apply to a car that is damaged and is being held at a garage for the sale of parts. At some stage, the car will need to be finally disposed of, and the rules in regard to the certificate of destruction will apply. A point was raised about end-of-life vehicles, but there is nothing in Bill that deals with that issue. The Department has engaged consultants to undertake a review of producer responsibility. The report on the review which will be received in a couple of months is expected to make recommendations in a number of areas, including transparency with regard to end-of-life declarations. The Department of the Environment, Community and Local Government and the Department of Transport, Tourism and Sport are considering options for the measurement of evasion, including the feasibility of sharing data from traffic cameras as a tool for tackling motor tax evasion. The Department of Transport, Tourism and Sport is seeking legal advice on this matter. Traffic cameras are in place to manage road safety issues and have contributed significantly to the reduction in the loss of life and serious injuries. It is important not to impinge on the safety role of traffic cameras, but the deterrent effect on motor tax evasion could be very significant.

Senator Paschal Mooney made a number of points on the declaration of non-use. The declaration must be made in advance and can be made at any time in the month before tax or an existing declaration of non-use expires. There is no change to existing procedures for the renewal of motor tax and the month’s grace is not affected by the Bill. I refer to the vintage speech - perhaps that is not the correct word----

Senator Cáit Keane: The Minister of State is referring to the speech, not the person.

Deputy Fergus O'Dowd: Of course, as I want to make perfectly clear.

In the case of vintage cars, it will not be possible to avoid exemptions from the requirement to pay arrears on some categories of vehicles as the provision of exemptions for one group will inevitably lead to calls for other groups to be recognised. This legislation has been well flagged and there is effectively a four month period in which motorists can put their affairs in order. The proposed changes will be widely publicised in the coming months and this will include notification of the changes to the various elements of the motor trade.

On the question of a longer transition period, a three month transition period is seen as sufficient for status to be rectified. The steps required to make an off-the-road declaration are straightforward. We recognise that the Bill introduces an anti-evasion measure. Until the new system is in place, the existing evasion mechanism cannot be removed. Approximately €4 million per month is being lost to the Exchequer for each month of delay until the new system is in place. Extending the transition period would continue the loss to the State and lengthen the period of annoyance for the vast majority of compliant drivers.

The period of the off-the-road declaration is three to 12 months and modelled on the period for payments of motor tax. At the end of the period of validity of the off-the-road declaration, the vehicle owner will receive a reminder from the national vehicle driver file. The owner must then either renew the motor tax from the date of expiry or the off-the-road declaration. This will be a relatively simple procedure, not free but not excessively costly. It will tie in exactly with the existing system which allows for renewal by post. Providing for off-the-road declarations of indefinite duration could cause its own problems with vehicles reaching end of life. We must adhere to EU requirements on end-of-life vehicles. I refer to Senator Denis Landy's point about existing problems with improper practices in the recycling and destruction of vehicles. These would likely be worse if there was to be provision for an indefinite off-the-road declaration. There may be a number of cases where vehicles kept off the road for many years will be liable for arrears when being taxed in the future. This would not necessarily lead to their destruction, rather than renovation as vintage vehicles. If owners of such vehicles do not wish to pay arrears, they will continue to be able to display them at shows and drive them on private lands. The only restriction will be that they will not be permitted to drive them in a public place.

Senator Cáit Keane: They will need to be driven from A to B in order to bring them to a show.

Deputy Fergus O'Dowd: We recognise the need for a transition period to allow motorists the time to put their affairs in order.

Senator Sean D. Barrett raised the question of commercial and private users. The arrangements are straightforward and not designed to inconvenience compliant taxpayers. Those who need to take a vehicle off the road will be permitted to do so, but it will be necessary to notify the licensing authority in advance. They will not be required to have documents witnessed at a Garda station, nor will they be asked to provide a reason they wish to keep the vehicle off the road. In due course it will be possible to make a declaration online. A similar system has operated successfully in the United Kingdom for more than a decade and I expect it will operate equally successfully here. This will simplify the management of motor tax affairs for commercial users with variable levels of business. If a person's circumstances change during the

period of the off-the-road declaration and he or she wishes to put the vehicle back on the road, this can be done by renewing the motor tax. This will be charged from the start of the then current month, which is the same approach as applied to those renewing motor tax in the month following expiry.

The provision in section 7 for charging an administrative fee provides that vehicles on which an annual tax of less than €119 is payable will be exempt from the administration fee when introduced. The current rate of tax on vintage cars is €57, which is a modest amount considering the car may be kept in a field or garden.

I thank Senator Sean D. Barrett for his point on the Short Title of the Bill. However, the Department has been advised that there is no need to amend the Short Title to include a reference to the amendments made to the Local Government Act 1998. The amendment to that Act is referred to in the Long Title. There is a distinction in function between the Short Title which allows an Act to be referred to in simple form and the Long Title which sets out more fully the purpose and scope of the Act. Legal advice is that the Short Title need not reflect accurately the entire content of an Act and that the Long Title is the preferred means of establishing legislative intent. The Minister is satisfied that the Short Title as laid before the House is adequate for its purpose and that there is no risk of any part of the Bill being successfully challenged on the basis of the wording of the Short Title.

In reply to Senator Denis Landy, it is not the intention to require individuals to produce documentary evidence that a vehicle will not be in use. It is not always the case that such evidence can be produced. For example, some individuals may simply decide that a vehicle will not be used during the summer months and may also choose not to insure it. Equally, vintage vehicles may not be in use while being repaired or refurbished. Furthermore, in the event that a person wishes to place a vehicle off the road for reasons of economy or financial difficulties, it would be very difficult to require him or her to expose his or her circumstances to the State in order to avoid paying a tax for which he or she would no longer be liable by virtue of leaving the vehicle off the road. Any system requiring documentary evidence of intent not to use a vehicle would be administratively very complex and costly. It should also be noted that if documentary proof were required that a vehicle would be off the road, it would not be possible for applicants to make an online declaration of non-use. It is intended to make the switch from the existing system as seamless and as simple as possible.

On the question of the link with the insurance, for a person to provide evidence that the insurance policy has been cancelled or put in abeyance, the risk would arise that a person would be tempted to take a car back on the road and drive without insurance and tax. There are significant associated safety issues with side of the road dealers. For example, one single car could be composed of parts from at least four other cars. These dealers will be required either to pay the motor tax due, as is the case, or else make an off-the-road declaration. A dealer established in the more usual way will be able to treat as stock-in-trade any car on the premises and will be exempt from the provisions of the Bill. The dealer on the side of the road will be liable because the cars are in a public place.

I take the point on the risk associated with high grade forgeries and dodgy discs which are fraudulently produced. A garda who is suspicious of such a vehicle can access information on tax status on the spot by inputting the registration number. I understand some Garda cars have equipment on board which can read vehicle registration plates.

The measures are all to do with roads maintenance. The Ministers, Deputies Phil Hogan and Leo Varadkar, have held discussions on the need for greater flexibility on expenditure allocated to projects. Local authorities already have discretion in the expenditure of certain funds but not all funds. The Minister for Transport, Tourism and Sport, Deputy Leo Varadkar has been in contact with the county managers' association to see what can be done to ensure a basic level of roads maintenance. It would be very helpful if increased funding was available as a result of everyone taxing his or her car.

The Bill provides for the charging of an administration fee through secondary legislation. The Bill makes no provision for charging a premium over and above the reasonable cost. It cannot be penal; it must be the reasonable cost. If, or when, it is intended to apply the administration fee, we will calculate the actual cost of running the system and it will not be possible to charge more than this amount. I would like to give that assurance. It would not be unreasonable to apply the reasonable cost to those who will benefit from it by avoiding an obligation to pay motor tax or arrears. However, we recognise the importance of ensuring a smooth transition to the new system and it is not proposed to make changes at this stage.

Question put and agreed to.

Non-Use of Motor Vehicles Bill 2013: Committee and Remaining Stages

SECTION 1

An Cathaoirleach: Amendment No. 1 in the name of Senator Sean D. Barrett has been ruled out of order.

Amendment No. 1 not moved.

Section 1 agreed to.

Sections 2 to 12, inclusive, agreed to.

Title agreed to.

Bill reported without amendment, received for final consideration and passed.

An Cathaoirleach: When is it proposed to sit again?

Senator Cáit Keane: Ar 10.30 maidin amárach.

Adjournment Matters

Voluntary Sector Funding

Senator Jillian van Turnhout: I welcome the Minister for the Environment, Community

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and Local Government, Deputy Phil Hogan. I am delighted that he is taking this matter. I also welcome to the Visitors Gallery Ms Mary O'Connor from CARI and Mr. Des McKiernan from Aspire. I will start by making a declaration of interest. I am a former chief executive of the Children's Rights Alliance, but it is not on its behalf that I am raising this matter, about which other organisations have contacted me.

As it stands, the current scheme to support national organisations which provides 30 months of core funding for 64 national community and voluntary organisations and some others is due to expire on 31 December this year. There is not a single name on the list of organisations in receipt of funding which will be unfamiliar to Members. I have often heard Members commend many of the groups which benefit from the scheme such as the Simon Communities of Ireland, the Alzheimer's Society of Ireland, Inclusion Ireland, Barnardos, the Carmicheal Centre and The Wheel. It is evident from this handful of names that the range of services they provide and the issues on which they provide advocacy services are diverse, but the outstanding contribution they make to the lives of those they represent, thanks, in part, to the funding they derive from the scheme, is not.

During my time as chief executive of the Children's Rights Alliance and president of the National Youth Council of Ireland, I have seen this money put to good use. I know how crucial it is to such organisations that they have clarity on the future of this essential funding. By denying them this clarity, we are not only placing vital services in danger, but we are also risking the very survival of some federations and networks which play a vital national co-ordinating role. I understand that, to date, there has been no official communication from the Department on the future of the scheme. Understandably, this is causing significant concern among the recipient organisations.

The 2011 iteration of the scheme talked about multi-annual funding for such national organisations towards the core costs associated with the provision of services. Originally, the scheme was designed for federations and network programmes, but several schemes were folded into the 2011 scheme. I have some concerns about the principles behind the 2011 scheme because they lack a clear aim and purpose of what they are about. Perhaps this is an opportunity for us to look at the scheme.

I also have concerns that some organisations receive significant funds from other arms of the State. In each iteration of the scheme these organisations seemed to be added on and I believe the scheme has lost its way. For example, I was surprised to see the Football Association of Ireland had received €45,000 under the scheme. According to the 2011 annual review of the FAI, it had received €3.4 million in grants from the Irish Sports Council and had €5.7 million in sponsorship revenue. Its chief executive earns €400,000; therefore, this scheme is paying a small percentage of the chief executive's salary. To an organisation of this size, operating at a surplus, the €45,000 per annum it receives under the current scheme is a paltry amount, yet to many other organisations in receipt of money under the scheme, it is absolutely transformative.

Will the Minister clarify his plans for the future of the 2014-16 scheme to support national organisations? Will he outline if, or when, a new scheme will be announced? What consultation process will take place with current and potential recipients? Will the Minister clarify the purpose of the scheme because there is a need for a scheme to support national federations and networks of charitable voluntary organisations which play a critical role in co-ordination? Funding does not come from other arms of the State. As in previous years, will the Minister put in place interim funds if he does not have a new successive scheme to put in place? How does

he see the transition to the new scheme taking place?

Minister for the Environment, Community and Local Government (Deputy Phil Hogan): I am pleased to have the opportunity to address the Seanad on the funding scheme to support national organisations and thank the Senator for raising the issue. It was interesting to hear her speak about groups which need money seven months in advance of any decision being made and in advance of the budget and ask me to clarify issues which have not even been considered in the context of any review to be carried out.

7 o'clock

I inherited from my predecessor a three-year programme and the Senator has explained some of the problems with it. This scheme amalgamated and replaced schemes previously operating under the White Paper on supporting voluntary activity. The scheme's objective was to provide multi-annual funding to national organisations towards core costs associated with the provision of services. The scheme will end at the end of the year.

A review at the time made a series of recommendations for a future funding scheme including recommendations relating to: core funding; a focus on disadvantage and coalface services; the impact of the funding on the ground; an emphasis on adding value and avoiding duplication; and a focus on governance and cost controls. These recommendations were reflected in the current funding scheme which commenced on 1 July 2011.

Under the current scheme, 64 organisations are supported and some €3.588 million is allocated to the scheme this year. My Department will be carrying out a review of the scheme over the coming months. The terms of reference for the review will include an examination of the extent to which the objectives, rationale and approach of the scheme remain valid and will entail making recommendations regarding its future role and scope. The review of the scheme will be based on an examination of relevant documentation and consultation within the sector. It will take into account a number of policy considerations in formulating recommendations for the future. The policy considerations include economic conditions, principles contained within the White Paper and the role of the community and voluntary sector. I expect to receive the review by the autumn and on the basis of its findings, I will consider the options available to me.

Senator Jillian van Turnhout: Obviously the unique part of the scheme is its multi-annual funding. There will be an application process. While seven months is a long time, most organisations have statutory responsibility with regard to staff employment and would need to give staff notice. As an application process will take some months, seven months is a short time. I am happy to help in any way. I believe the scheme has lost its way and is a mixed bag considering the organisations. I have serious concerns about organisations such as the FAI receiving from this scheme which originally was to fund national organisations.

Rural Development Programme Funding

Senator Denis O'Donovan: I ask the Minister to explain why funding to the West Cork Development Partnership has been cut by approximately €2.2 million - according to today's Irish Examiner, the cut is €2.4 million. In effect, there is a 14% cut in this budget whereas other partnership groups have had increases - in one instance, an increase of 58%. Projects in west County Cork, such as those in Goleen, Schull, Ballydehob, Beara, Clonakilty, and Bantry,

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which have gone through the process, are now left high and dry because of lack of funding. I am sure the Minister will agree that great community effort and energy went into these projects and in some instances a planning process was completed. If these projects were to proceed, it would result in a minimum of 50 to 60 jobs, which would be critical to an area such as west County Cork. Some of these projects are community based, some of them relate to e-commerce and others are tourism projects. As I am sure also applies in the Minister's county, Kilkenny, the Leader programme has delivered great benefit to communities. The money is very well used and the benefits far outweigh the costs.

The West Cork Development Partnership is obviously dismayed at the unilateral usurping and overturning of the money that had been promised and was believed to be in train. It throws a spanner into the works over the future of these partnership groups. In west County Cork, as in rural areas in general, we suffer from a major outflow of people affecting our communities, parishes and GAA clubs. They are emigrating to Australia, Canada, America, Britain or wherever they can get work. The schemes offer some employment and also hope to the communities involved.

There is absolute dismay and concern. Local community groups have contacted me and I have spoken to some of my colleagues, Deputies from west County Cork, who have also rightly come under pressure from these groups. It is not that they are moaning and groaning. Some communities have planned these projects for six, nine or 12 months and in some cases planning permission had been granted. Now with a swipe of a pen by the Minister or someone else in high office, the money has been swept away, leaving these projects high and dry. It is like the periwinkle when the tide goes out - it is left on the rock, dry. These projects are abandoned and I am deeply concerned over the impact and the message we are sending to rural communities. I hope the Minister will have very positive news for me. Knowing that he is a kindly gentleman, he may contact Mr. Ian Dempsey, the CEO of the West Cork Development Partnership, to tell him that the funding is available again so that it can proceed with these projects.

Deputy Phil Hogan: I welcome the opportunity to respond to the issue raised by Senator O'Donovan and to clear up considerable misinformation on the alignment process with local government as well as the funding arrangements for the rural development programme.

The Leader elements of the Rural Development Programme 2007 - 2013 finally commenced in February 2009 after a delay of more than two years, effectively reducing the programme period to less than five years. During 2010 it became evident that while on the one hand a significant number of local development companies were not committing funds at the level required to ensure that all the funding would be allocated by the end of this year, on the other hand a number of local development companies were more than capable of allocating funding.

In late 2011 the European Commission approved a change in the maximum co-funding rate from 55% to 85% for the Leader elements of Ireland's rural development programme. It is estimated that this change will reduce the available funding from €427 million to approximately €370 million, which is still a considerable amount of money.

In addition in late 2012 and early 2013, after repeated requests from many local development companies, I agreed to allow significant additional programme funds to be assigned to the basic services measure, which includes grant assistance for community centres and other projects, amounting to more than €19 million in total.

In the context of the situation as outlined, it became necessary fully to review the level of commitments and expenditure for the programme, and to adjust the individual local development company allocations in line with the reduced value of the programme taking into account the level of commitments already entered into.

My Department recently completed a comprehensive review of the programmes in every Leader area. As a first step I released €42 million worth of projects which had been approved by the boards of the LDCs asking them to confirm those projects that were in a position to proceed. If any of the projects the Senator mentioned are in the pipeline, they can be paid for out of this particular fund. If they have already gone through the system, as the Senator indicated, and had planning permission and co-funding, and met all the criteria, there is no difficulty and they will emerge, hopefully, through the Department in the coming weeks. Those projects that were in the queue have been prioritised to be released for funding.

When we did the trawl of the €42 million, we found that only €25.5 million in that category had all the necessary approvals. Perhaps some of the projects brought to the Senator's attention may be in the other €18 million that did not meet all the criteria. We are subject to serious audit by Deloitte on behalf of the European Commission so everything must be done properly.

Using an estimated final programme allocation of €370 million, the total spend to date and outstanding commitments under the programme were established and deducted from the €370 million. Some €6 million was ring-fenced for the former MFG, which as the Senator knows went into liquidation. New Gaeltacht projects and associated administration costs were transferred to contiguous local development companies.

The original percentage of the programme which was awarded to each local development company in 2009 was then applied to apportion the remaining funding among all local development companies. I ensured that nobody got less than the 80% of the original allocation. If that was applied to west County Cork, it would have gone lower. I have actually protected as much of the funding as I possibly can for the West Cork Development Partnership.

The Leader elements of the RDP have already provided significant financial resources to communities. I agree with the Senator on the good work already done. When I discovered that the momentum behind the programme was not as good as it should have been in 2011, I opened up to all Leader companies, including West Cork Development Partnership, the opportunity to apply for additional funding for additional projects. The ones that came forward with additional proposals are being rewarded. Notwithstanding this, I ensured no company had less than 80% of the original allocation. I am glad to clarify the process. There is money in the system and available for projects in the queue and it will be paid in the coming weeks. It has to be spent between now and the end of the year. I will be returning to the West Cork Development Partnership and all other Leader companies by the end of August to clarify whether projects to which they committed in 2011 and 2012 will go ahead. If not, we will reallocate the money to companies in a position to draw it down. All of the money in the rural development programme must be committed by the end of the year.

Senator Denis O'Donovan: I thank the Minister for coming to the Chamber and appreciate it when the line Minister responds. What he has outlined is substantially at variance with what I am hearing on the ground. Some 300 people turned up at a meeting in Skibbereen to discuss the alignment proposals, with which Cork County Council, like many other councils, is not happy. There is something radically wrong. Either the Leader company people are misleading

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us - I think not because their jobs and lives depend on it - or there is misinformation somewhere. It does not stack up. I hear about valuable projects on the Beara Peninsula, a remote area, the Mizen Peninsula, in Clonakilty and Bantry being stymied by a lack of funding. I must tease out this issue with the Minister on specific projects. My story is that they were ready to roll. There was a major announcement that they had lost €2.2 million, a substantial amount of money for any programme, because of which at least a dozen projects will be shelved.

Deputy Phil Hogan: There are sufficient moneys in the system in the Department of the Environment, Community and Local Government to pay for projects approved and in the queue for payment. If there is a difficulty in the evaluation of projects in the Department, we must obtain further information. That rarely happens and there should not be a difficulty if the projects have been submitted to the Department. The moneys will be paid from the €25.5 million I have allocated, which will be cleared by the end of the week. Further moneys are available to West Cork Development Partnership to bring forward new projects between now and the end of August. I will review the projects to which the development company has committed, as I will review all other Leader projects. This is to ensure all of the commitments made in 2011 and 2012 will be met. If projects are not going ahead, I will take back the money and reallocate it to companies around the country in a position to spend it. The ball is firmly in the Leader company's court. Cork County Council is very satisfied to work with local communities, as are all local authorities, to reduce the level of administration and duplication and prioritise funding for front-line services and projects.

Child Care Qualifications

Senator Paschal Mooney: I welcome the Minister. Leitrim County Childcare Committee, of which I am chairman on a *pro bono* basis, has completed a survey of 253 people who have completed FETAC training since 2004. We have found that, in the main, people are working in part-time or full-time jobs in the child care sector. I refer to that figure in the context of ongoing investigations into child care facilities being carried out by RTE and other agencies. In County Leitrim we have no problem sourcing qualified and skilled staff; in fact, we have a surplus. There has been considerable interest in furthering the qualifications of the 253 people concerned to third level. However, the common issue noted by all of them was the level of fees. These child care workers have to study part time as they are working. However, as salaries in the child care sector tend to be low, the fees are prohibitive. For example, to access the bachelor of arts degree course in Sligo in early childhood care and education part-time, it costs €12,000 over four years. This is beyond the means of the majority of those working in the early years sector.

What supports are available to potential part-time students who find themselves in this position? We have had a number of queries on the matter. In the light of the concerns expressed by the Minister's Cabinet colleague about the level of qualifications and the recent inspection of 15 child care facilities, which did not include any in County Leitrim, this is an opportunity for those who genuinely want to further their qualifications in the child care sector and they will then find they have work to do. In that context, I ask for the observations of the Minister.

Deputy Phil Hogan: I am responding to this matter on behalf of my colleague, the Minister for Education and Skills.

I thank the Senator for giving me the opportunity to outline the supports available to part-

time students who have completed FETAC training in child care. The Department provides a range of further education programmes designed to cater for those who wish to upskill, including the back to education initiative, BTEI. The BTEI provides flexible part-time options across further education and is aimed at adults with less than upper second level education, including unemployed adults. The overall aim is to increase the participation of young people and adults with less than upper second level education in a range of part-time accredited learning opportunities leading to awards on the national framework of qualifications to facilitate their access, transfer and progression to other education or employment pathways. The BTEI enables providers to increase participation through a wider range of flexible options which are appropriate to the particular circumstances of learners, enabling them to combine family, work or personal responsibilities with learning opportunities.

In the current context, the BTEI enables providers to address the skills needs of unemployed persons, in particular the priority groups identified in the Government's activation agenda, and develop part-time education and training opportunities for low skilled people in employment to gain qualifications. Learners participating in the BTEI programme may continue to receive social protection payments subject to satisfying the conditions of the Department of Social Protection.

Students can apply for a place on a Springboard course. Springboard which was first introduced in 2011 is a specific initiative that provides free part-time flexible reskilling opportunities at higher education levels for unemployed and previously self-employed persons in areas with emerging skill needs such ICT, pharmchem and international financial services. It is targeted at graduates and non-graduates previously employed in sectors and jobs where employment levels are unlikely to return to pre-recession levels who will need to reskill for different types of employment. Approximately 10,000 places have been provided under the two rounds of the programme issued to date. A call for proposals for courses to be run under Springboard 2013 was issued by the Higher Education Authority in February and is expected to provide in excess of 5,000 new places this year. Details of the courses selected will be available in the coming weeks.

To be eligible for a place on a Springboard course, a person must be unemployed, actively seeking employment and in receipt of one of the qualifying social protection allowances or signing for credits or previously self-employed. Students who have completed FETAC training are eligible to apply for support under the scheme. In addition, tax relief is also available on fees for approved part-time courses. Full details of this relief are available from the Revenue Commissioners.

The Department of Education and Skills funds a student grants scheme for third level and further education students. Under the terms of the student grants scheme, grant assistance is awarded to students who meet the prescribed conditions of funding, including those which relate to nationality, residency, previous academic attainment and means. Under the scheme, an approved course is defined as a full-time undergraduate course of at least two years duration or a full-time postgraduate course of not less than one year duration pursued in an approved institution. A student who has completed FETAC training in child care and subsequently undertakes a full-time undergraduate course or postgraduate course may be eligible for support under the scheme. The scheme for the 2013-14 academic year was published on 16 May and is available on the student finance website. To determine eligibility for the 2013-14 academic year, a student may submit a fully completed online grant application to Student Universal Support Ireland, SUSI, via the SUSI or student finance websites.

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The Minister will take the concerns of the Senator and those of students into consideration during the budgetary process and will endeavour to protect, to the greatest extent possible, the most disadvantaged students in further and higher education.

Senator Paschal Mooney: I appreciate that the Minister is responding to the debate on behalf of his colleague. It is also an opportunity for the Government of the day to highlight what it believes to be its priorities rather than to address the specific issues that are raised in the question. In this instance, I must say I am somewhat disappointed with three quarters of the reply. It does not really address what I specifically asked. The final part of the reply makes reference to the fact that staff can undertake full-time FETAC training in child care, but I made it quite clear that the issue I am concerned with is part-time training. Many of the people in our survey who have undertaken FETAC training up to level 5 are working in the home and would not, therefore, be in a position to take up full-time study. All of these courses, with respect, apply to those who are completely unemployed and who want to get involved in full-time education or to upskill from another sector. The people to whom I refer do not want to re-skill or upskill in some other area. They want to enhance their skills in the area they have already chosen, namely child care. The only glimmer of light at the end of the tunnel is provided by the final sentence, where the Minister says that he takes on board the concerns that have been raised in this motion and that they will be given consideration in the context of the budgetary process. I know it is completely outside the Minister's brief but I am sure that he is as concerned about the unemployed in his area as I am about those without work in my own. I hope that as he sits at the Cabinet table he will take account of the fact that there is a cohort of people who would like to continue in part-time education but who cannot do so because they cannot afford the fees. I thank the Minister for his reply.

Horse Racing Industry Development

Senator Denis Landy: I welcome the Minister to the House. I wish to acknowledge the importance of Irish-Chinese trade, which is currently worth €8 billion per annum. I compliment the Minister for Agriculture, Food and the Marine, who led a trade delegation to China of 127 representatives of the agri-food and equine industries. China has a population of 1.3 billion and we have successfully established a partnership in equine excellence with China. An equine centre has been set up in Tianjin, the third largest city in the country, with a population of 12 million, at a cost of €2 billion to the Chinese authorities. We hope to export up to €40 million worth of animals and animal feed to China as a result of this over the next three years. Coolmore Stud in Tipperary has been set up as the partner for this equine centre, which is a very good news story. However, I wish to draw attention to the issue of the half-bred sports horse, three-day eventing and pony trade, which does not seem to be included as part of this Irish-Chinese initiative. I would like the Minister to provide some information as to the feasibility of examining this trade with China to determine if there is an opportunity for further exports and an opening up of trade in this area.

Currently there are 300 professional horse clubs in China, of which 16 are full-time professional clubs. These clubs currently use warm-blood horses mainly imported from the Netherlands which, incidentally, has quarantine rights for the entire world for export into China. There is an opportunity here for the Irish equine industry to open up trade with China and rebuild this particular industry nationally. In the past five years, as the Minister knows, this industry has taken a severe hammering. Prices have dropped by over 100% in some cases. Generally

speaking, the people in this industry are mainstream farmers who keep a number of horses, brood mares and so forth for breeding purposes. This helps them to increase their incomes on an annual basis but in recent times this trade has completely collapsed. The Connemara pony trade has also collapsed, as has the three-day eventing trade. There is an opportunity here and I ask the Minister to respond to my request that funding for a feasibility study be made available, either through the Department of Agriculture, Food and the Marine or through Leader companies. I look forward to the Minister's response.

Deputy Phil Hogan: I thank Senator Landy for raising this issue, which I am taking on behalf of my colleague, the Minister for Agriculture, Food and the Marine, Deputy Coveney. The equine industry in Ireland is comprised of two elements, the thoroughbred sector and the sport horse sector. Horse Racing Ireland is responsible for the development of the thoroughbred sector, while Horse Sport Ireland is responsible for the sport horse sector. The horse racing and breeding sector, as Senator Landy has said, contributes enormously to the Irish economy. It is estimated that in excess of 17,350 people are employed directly in the industry in Ireland, mostly in rural areas. The industry generated exports worth €174 million in 2012 and 7,500 thoroughbred foals were registered that year. The industry is dispersed throughout the country with breeders located in every county. It is interesting to note that 83% of thoroughbred breeders own only one or two mares.

Horse Racing Ireland is a State body established under the Horse and Greyhound Act of 2001 which represents key sectors of the thoroughbred industry. It is responsible for the overall administration, promotion and development of the industry. Irish Thoroughbred Marketing, ITM, is a division of Horse Racing Ireland, funded by that body and by the Irish bloodstock industry. It is responsible for the promotion of the thoroughbred horse and provides support to overseas visitors who are interested in the racing and breeding industry. ITM has representatives overseas, including one based in China.

Regarding the sport horse industry, it is estimated that there are 124,000 sport horses in the country, with 13,477 non-thoroughbred foals registered last year. These would include Irish sport horses, Irish draught horses and Connemara ponies, together with other breeds. There are an estimated 30,000 non-thoroughbred brood mares in the country, which 50% of mare owners having one or two mares. A report entitled, "Economic Contribution of the Sport Horse Industry to the Irish Economy 2012", concluded the contribution of the Irish sport horse industry to the economy to be in the region of €708 million per annum, employing 12,512 full-time equivalents, with an estimated 47,096 people involved in the sport horse sector. The report estimated that approximately 6,600 sport horses were exported in 2011 to the value of €26.1 million. Horse Sport Ireland is responsible for devising and implementing strategies for the development and promotion of an internationally competitive Irish sport horse industry. Horse Sport Ireland is developing new marketing strategies and the Department of Agriculture, Food and the Marine has, in this regard, approved funding to assist Horse Sport Ireland in developing a website, the Irish Horse Gateway, which is commissioned as a platform primarily for the sale of Irish sport horses and ponies in other countries, including China. The website will allow the promotion of the Irish horse and pony internationally and build on our worldwide reputation for excellence. The Irish Horse Gateway aims to increase buyer confidence in the Irish market through the addition of a quality programme for sellers.

In 2012 the Department of Agriculture, Food and the Marine provided €45 million to Horse Racing Ireland and €1.8 million to Sport Horse Ireland. The Department is making every effort to assist enterprises in both the thoroughbred and sport horse sectors to access overseas

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markets, including China. Together with the Department of Foreign Affairs and Trade, the Department of Agriculture, Food and the Marine is engaged in ongoing contact with the Chinese authorities, which is aimed at concluding an agreement on animal health certification which would underpin the direct export of horses from Ireland to China. Since May 2011, Irish horses being exported to China have had to undergo a 30-day quarantine period in the Netherlands. In the interim, an animal health protocol has been agreed between the Department and the Chinese authorities. The protocol was signed on 15 June last by the Minister, Deputy Coveney and the Vice Minister of the general administration of quality supervision, inspection and quarantine of the People's Republic of China. The protocol covers quarantine and health requirements for horses that are born and raised in Ireland to be exported to China and is the basis for the veterinary animal health certification, the text of which the Department is seeking to conclude with its Chinese counterparts. An agreed animal health certificate will facilitate the direct export of Irish horses to China.

Senator Denis Landy: I welcome the response from the Minister and am glad that some progress is being made. However, I would ask the Minister, in the context of his responsibility for LEADER funding, to be open to the suggestion that some of this can be done at a local level. A massive opportunity exists and we must examine the feasibility of direct trade with China for the sport horse sector. I ask the Minister to be open to the idea because it could create employment and sustain existing employment. As has been said already, generally the people involved in this industry keep one or two mares as part of an add-on to their overall income. I thank the Minister for his reply.

The Seanad adjourned at 7.30 p.m. until 10.30 a.m. on Wednesday, 29 May 2013.