



DÍOSPÓIREACHTAÍ PARLAIMINTE
PARLIAMENTARY DEBATES

SEANAD ÉIREANN

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

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SEANAD ÉIREANN

Dé Céadaoin, 28 Meán Fómhair 2016

Wednesday, 28 September 2016

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 Michelle Mulherin that, on the motion for the Commencement of the House today, she proposes to raise the following matter:

The need for the Minister for Finance to grant aid to Ireland West Airport Knock at the rate of 90% for development and expansion projects from the connectivity fund set up under the auspices of the Ireland Strategic Investment Fund on the sale of the State's share in Aer Lingus to ensure the airport's viability and growth in order that it can be self-financing after 2023.

I have also received notice from Senator Pádraig Mac Lochlainn of the following matter:

The need for the Minister for Transport, Tourism and Sport to outline his plans to financially support City of Derry Airport, considering that 40% of the passengers who use the airport are from County Donegal.

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

The need for the Minister for Education and Skills to reinstate the provision whereby if a family have a medical card and there is space on a bus, a pupil is entitled to a concessionary ticket to travel to the school of the family's choice.

I have also received notice from Senator Kevin Humphreys of the following matter:

The need for the Minister for Health to outline the current situation with regard to the co-location of the National Maternity Hospital, Holles Street, with St. Vincent's University Hospital, Elm Park.

I have also received notice from Senator Brian Ó Domhnaill of the following matter:

The need for the Minister for Agriculture, Food and the Marine to increase the herring quota under the Celtic Sea herring management plan for the Dunmore box to compensate for the loss of herring quota in the fisheries sector in 2015.

I have also received notice from Senator Neale Richmond of the following matter:

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The need for the Minister for Health to update the House on the efforts being made to relocate the European Medicines Agency from London to Ireland following the decision of the British people to vote to leave the European Union.

I have also received notice from Senator Maura Hopkins of the following matter:

The need for the Minister for Health to outline the measures the Government is implementing to improve ambulance response times in rural areas, particularly those that have been identified as black spots for ambulance response times as per the most recent National Ambulance Service of Ireland emergency service baseline and capacity review - 2015 - and the 2014 Health Information and Quality Authority review of pre-hospital emergency care services to ensure high quality in the assessment, diagnosis, clinical management and transport of acutely ill patients to appropriate health care facilities.

I have also received notice from Senator John O'Mahony of the following matter:

The need for the Minister for Health to restore the motorised transport grant.

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

The need for the Minister for Health to reconsider the recent independent clinical review of the provision of a second catheterisation laboratory at University Hospital Waterford, with a specific focus on the base data used to compile the report, in the interests of providing equal access to quality cardiology care in the public health service for the citizens of the south east.

I have also received notice from Senator Kieran O'Donnell of the following matter:

The need for the Minister of State with special responsibility for the Office of Public Works and flood relief to ensure flood relief measures are provided for at Castleconnell village and Montpelier, County Limerick, in the current catchment flood risk assessment and management study being prepared by the Office of Public Works.

I regard the matters raised by the Senators as suitable for discussion. I have selected the matters raised by Senators Michelle Mulherin, Pádraig Mac Lochlainn, Mark Daly and Kevin Humphreys and they will be taken now. Senators Brian Ó Domhnaill, Neale Richmond, Maura Hopkins, John O'Mahony, Paudie Coffey and Kieran O'Donnell may give notice on another day of the matters they wish to raise. **Commencement Matter Regional Airports An Cathaoirleach:** Before Senator Michelle Mulherin begins, I have received complaints from different sides of the House that I have been too lax and flaitiúlach with the time allowed. Senators will, therefore, be constrained to four minutes. The Minister or Minister of State will respond and it will be at my discretion to allow a supplementary question. Somebody raised a pertinent point in the last term that we could try to have five matters rather than four in the time allowed. I have looked at the logistics and it is not possible. I timed Members and some used one or two extra minutes, with the Minister taking longer to reply. That means that it would be impossible to accommodate five matters as it would encroach on the Order of Business. I am not referring the Senator Michelle Mulherin but just saying it in general.

Senator Michelle Mulherin: I will not take that personally and thank the Cathaoirleach for allowing the matter.

I welcome the Minister of State. This issue has been ongoing for a long time and I ask that,

once and for all, proper grant aid be provided for Ireland West Airport at Knock. Under current state aid rules, only 75% may be provided by the Government. The airport has been in negotiations with the Department of Transport, Tourism and Sport for a number of years and undertook work in a study group established jointly between the board at Knock and the Department as part of an in-depth review to consider the strategic options for the development of the airport. The airport wants to become self-financing and must do so by 2023. The study group did its work over three years ago. It was prompted after May 2012 by a package announced for Shannon Airport to make it independent. It wrote off €100 million in debt and provided other benefits for Shannon Airport in order that it would go from strength to strength.

Knock airport has been a success story against the odds. It is an airport owned by the people and needs proper support, for which it has been waiting too long. Even at this stage, it is not looking at expansion next year but basic maintenance. It needs a pavement overlay of the runway which is 30 years old and this work will cost €7 million. If we assume that the State will give some money, under state aid rules, the airport must still come up with €2 million that it does not have.

I thank the seven local authorities in the west that have invested in Knock airport and paid over €3.2 million in July this year as part of taking a share in the airport. They will contribute approximately another €4 million. This money may only be used for marketing and development of the airport, not basic maintenance. There must be some serious commitment shown to Knock airport.

Statistics released in July indicated there had been 0% employment growth in the west, if we take into account jobs still being lost which offset those being created. According to the last census, three counties in the west - Mayo, Sligo and Donegal - are the only ones in the country that have lost population. We have no major inter-urban routes, motorways, high-speed trains or major deep water ports. The more recent statistics will show that there is disadvantage. Ireland West Airport Knock is key and strategic and something seriously needs to be done about supporting it once and for all. Time is ticking on the clock and, according to European rules, the airports have to become self-financing by 2025.

The regional airport programme was approved by the European Commission for the period 2015 to 2019. When the case was made by the Department to the Commission, why was a request to allow 90% funding not made to the Commission for Ireland West Airport Knock also? Why was a special case not made for that airport at the same time? Dialogue and discussions have been ongoing since and Shannon Airport has been bailed out and funded handsomely. Conversations have been ongoing, yet we are heading into the fourth year and still there is nothing substantial for Knock airport.

We sold the State's share in Aer Lingus for €335 million. Where is this money? Surely it is obvious to invest it in the likes of Ireland West Airport Knock which is badly in need of the funding. I welcome the €1.3 million for safety and security measures at the airport, which was granted approximately two weeks ago by the Department. Obviously, however, this has nothing to do with expansion and merely concerns essential safety and security work. When will the Department and the Government be serious about funding Ireland West Airport Knock? It is critical for the west. A serious effort needs to be made now.

Minister of State at the Department of Finance (Deputy Eoghan Murphy): I thank the Senator for raising this important issue and her serious commitment to it for a number of years.

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There are two distinct elements to her question: funding for regional airports; and the role of the connectivity fund. I will deal first with the regional airports programme which will set the context for an examination of the potential role for the connectivity fund.

As the Senator will be aware, the Minister for Transport, Tourism and Sport, Deputy Shane Ross, oversees the regional airports programme. The current five-year programme, covering the period 2015 to 2019, provides targeted supports for the four regional airports, namely, Kerry Airport, Donegal Airport, Waterford Airport and Ireland West Airport Knock. The programme acknowledges the key role played by regional airports in supporting the tourism and business sectors in their respective regions. As the Senator is aware, the programme was approved by the European Commission in August 2015 under the 2014 EU guidelines on state aid to airports and airlines and includes provision for Exchequer support towards safety and security projects at the four regional airports.

Under the 2014 EU guidelines, state aid for capital projects at airports is limited to a maximum of 75% of the eligible cost of the project. However, I understand the guidelines also acknowledge that investment projects at airports with average traffic flow below 1 million passengers per annum located in peripheral regions may experience a funding gap. In the light of this and subject to a case by case assessment, state aid exceeding 75% may be justified in exceptional circumstances. In such a scenario, the European Commission has indicated that a business case justifying a higher aid rate would have to be approved by it. It should be noted that this state aid is for the eligible cost of the project, namely, the funding gap after the airport has used its own revenue or other funding. It is not for the gross cost of the project. I am informed that the Department of Transport, Tourism and Sport has indicated to Ireland West Airport Knock that it will support the airport's case to the European Commission to permit grant aid of up to 90%. I understand Ireland West Airport Knock has also sought assistance from the Department in preparing an application and that departmental officials are engaging with the airport on it.

Funding provided under the regional airports programme must have regard to the total funding available each year to support all four regional airports. I understand this year the Department has approved €2 million in grant aid for safety and security investment at Knock airport. This represents half of all the capital funding allocated to all four regional airports this year. In that context, we can examine the potential role of the connectivity fund in supporting regional airports such as Knock. The connectivity fund was formed to invest the €335 million proceeds from the sale of the State's shareholding in Aer Lingus, with the aim of enabling and enhancing Ireland's physical, virtual and energy connectivity. The connectivity fund is a sub-portfolio of the Ireland Strategic Investment Fund, ISIF. The fund adheres to the broader ISIF mandate which is known as the double bottom line, whereby each investment must be made on a commercial basis to support economic activity and employment in Ireland.

The Senator's question refers specifically to a potential role for the ISIF and the connectivity fund at Ireland West Airport Knock. As outlined, in the context of the fund's mandate, any investment at Ireland West Airport, Knock would need to meet the ISIF's double bottom line requirements. Grant aid does not constitute a commercial investment and the provision of grant aid from the ISIF or the connectivity fund would not be consistent with the mandate. The ISIF team has advised me that it is available to consult the Knock airport authorities to explore potential investments. Any such investment would be on commercial terms and may be structured such that it can work alongside any grant assistance from other sources.

Senator Michelle Mulherin: My second question has been partially answered. Why is the Department only now having an agreement with Knock airport that it is going to make a special case to the European Commission that would entitle the State to give 90% grant aid funding? This has been ongoing for three years, including after the study group undertaking and its report. Why has nothing been done? Knock airport requires seven local authorities to bail it out. This did not happen with Shannon, Dublin or Cork airports, or anywhere else. Knock airport is not the same as the other regional airports. The other regional airports lie close to other major airports, considering the major motorways available. Why was it not done when the regional airports plan was being submitted to the European Commission? Why is it taking so long for Knock airport to be helped now that the Government seems to concede that it will work with the airport? Last July it agreed with airport management on five documents that would need to be prepared and it is only being done now. How is Knock airport being helped in a timely fashion to grow and become self-financing? That is all we want, not to continue to receive handouts.

Deputy Eoghan Murphy: It is not the case that nothing has been done. In 2016 alone the Department has approved €2 million in grant aid for safety and security investment at Knock airport, half of all the capital that has gone into the four regional airports this year. Regarding state aid, a case by case assessment and approval from the European Commission is needed and the Department of Transport, Tourism and Sport has indicated that it is more than willing to work with Knock airport to try to reach the 90% figure with the Commission. That is the appropriate way to go about it.

Senator Michelle Mulherin: It has been ongoing for three years.

An Cathaoirleach: I call Senator Pádraig Mac Lochlainn to raise his matter.

Senator Pádraig Mac Lochlainn: The Minister will be aware that City of Derry Airport serves not just Derry but the entire region which has a population of 500,000 people. It is the only region on the island that has no rail link, no motorway link and now no air link to the capital city, Dublin. At City of Derry Airport 40% of the passengers, approximately 140,000 to 150,000 per year, are from County Donegal. Since 2010 the Irish Government has withdrawn funding for the Dublin to Derry link and I appeal to the Minister of State to reconsider the decision. Whether through a public service obligation or other means of funding, I ask him to meet his responsibility, particularly to the 140,000 to 150,000 passengers from County Donegal who use this vital regional airport.

If we are serious about promoting the Wild Atlantic Way and tourism, for which the Minister of State is also responsible, if we are talking about getting tourists from North America and elsewhere in Europe into the north-west region, including counties Donegal, Derry and Tyrone, connectivity to Dublin is vital. Tourists are flying into Dublin. If they can get a connecting flight onwards to Derry, it is a major boost to the region. I ask the Minister of State and his senior colleague, the Minister for Transport, Tourism and Sport, Deputy Shane Ross, to step up to the plate and put financial support on the table for this vital regional airport.

I will share time with my colleague, Senator Niall Ó Donnghaile.

An Cathaoirleach: I will allow the Senator to speak; however, normally if Senators wish to share time, they must state it at the beginning.

Senator Pádraig Mac Lochlainn: Apologies; it was my fault.

Senator Niall Ó Donnghaile: I did not want to be seen to reprimand the Senator.

Last week Senator Pádraig Mac Lochlainn and I, with other elected representatives from our party, met the board of City of Derry Airport. Senator Pádraig Mac Lochlainn has outlined the key strategic benefit it brings to the broader north-west region, not least in terms of its immediate link with the Wild Atlantic Way and everything that it can potentially offer to that part of the country. Do the Minister of State and the Department recognise the key strategic economic benefit of City of Derry Airport as an asset? Would he and the Minister, Deputy Shane Ross, be prepared to meet the board of the airport - at its request - to discuss these issues? It is an exciting time for the airport, given the investment from the Executive of £7 million to progress issues relating to route development and other infrastructural issues. We could do much more, however. As Senator Pádraig Mac Lochlainn said, with 40% of the airport's footfall coming from County Donegal, it is past time the Government appreciated the significant asset the city airport represents and brought about the necessary investment to ensure it will get over the line in the context of the fantastic work it is doing.

Minister of State at the Department of Transport, Tourism and Sport (Deputy Patrick O'Donovan): Ba mhaith liom buíochas a ghabháil leis na Seanadóirí as ucht an t-ábhar seo a ardú inniu. I am taking this matter on behalf of my colleague, the Minister for Transport, Tourism and Sport, Deputy Shane Ross.

There are no plans to provide Exchequer funding for City of Derry Airport. As the Senators will be aware, the Department of Transport, Tourism and Sport has a five-year regional airports programme, covering the period 2015 to 2019, to provide targeted supports for the four regional airports, namely, Kerry, Donegal, Waterford airports and Ireland West Airport Knock. The programme was approved by the European Commission in August 2015 under the 2014 EU guidelines on state aid to airports and airlines.

Our programme provides for Exchequer support towards safety and security-related projects and activities at the four regional airports. It also supports the two public service obligation, PSO, air routes from Donegal and Kerry airports to Dublin. The national aviation policy published by the Department last August acknowledges the role played by the regional airports in Kerry, Donegal, Waterford and Knock as being important in promoting a level of international connectivity to support the tourism and business sectors in their regions. The policy also confirms that these four airports are being given the opportunity to grow to viable, self-sustaining positions. In that regard, our policy is to continue to support safety and security projects and activities at these airports, where appropriate. During the summer holidays, I had reason to be at Donegal Airport in Carrickfinn. I was very much taken by the level of service provided and the facilities available there.

I am aware of the recent plans by Ryanair to reduce services from City of Derry Airport next year and appreciate the challenge this poses for the authorities there. The Irish Government provided City of Derry Airport with funding support in the past. There was a PSO on the Derry-Dublin route for ten years, from 2001 to 2011. The subsidies needed to support the PSO were fully funded by the Irish Exchequer. It ended following a value for money review of Exchequer expenditure on the regional airports programme, published by the Department in 2011. The Derry-Dublin route was not the only PSO service to be ended at the time. The PSO routes linking Knock, Galway and Sligo were also discontinued. The only PSO routes we have today are those linking Donegal and Kerry airports with Dublin. In addition, the Irish and UK Governments jointly funded substantial safety works at City of Derry Airport between 2005 and 2012.

The two Governments contributed 75% of the cost of these works on a 50:50 basis, while the balance of 25% was provided by the airport owner, Derry City and Strabane District Council.

While the Derry-Dublin PSO instituted in 2001 satisfied the regulatory criteria at the time for PSOs, the political dimension also played a role in the initiative in our co-operation with the UK Government in funding the runway safety works at City of Derry Airport. The Good Friday Agreement had been signed in 1998 and endorsed by means of referenda, North and South. While there is much work still to be done, what has been achieved in the peace process in facilitating reconciliation in the past two decades is exceptional.

The financial landscape also changed compared to 15 years ago. We must ensure we make the best use of limited Exchequer resources. The funding available to the Department in the coming years will be fully required to support our two PSO routes to counties Donegal and Kerry, while continuing to provide support to the four regional airports in the areas of safety and security.

I was pleased to note earlier in the week that the Northern Ireland Executive had announced a £7 million package to assist development and growth in and around City of Derry Airport, including £2.5 million to support routes from the airport. I understand the airport and the city council are in discussion with the Department for Transport in the United Kingdom to endeavour to secure PSO from the UK authorities for an air service that would link Derry with a London hub. City of Derry Airport considers that such a PSO route would be hugely beneficial for business and tourism users, given that the Ryanair service to Stansted Airport is due to cease next March. I echo the sentiments of the First Minister and the Deputy First Minister that their package of support will enable City of Derry Airport to invest in route development and capital projects and, ultimately, allow the airport to plan for the future.

I will bring the specific issues raised by the Senators relating to tourism and the possibility of a meeting to the Minister's attention. I could meet Senator Pádraig Mac Lochlainn to explore the issue further.

Senator Pádraig Mac Lochlainn: It would be helpful if the Minister of State could do so. I would appreciate it if the Minister could meet Senator Niall Ó Donnghaile and me to discuss the issue. I ask the Minister and the Minister of State to meet the board and management of City of Derry Airport. The Minister of State mentioned Donegal Airport in Carrickfinn, which is a fine airport that should be supported. However, if one looks at people in Inishowen, one can see that Belfast is closer to them than Carrickfinn; therefore, the geography is obvious. That is why 150,000 people in Donegal use City of Derry Airport every year - 40% of all its passengers.

The Government is not being asked to fully fund a PSO. It is being asked to co-fund it with the British Government. The airport's proposition to the Irish Government is a really good deal. It does not just involve investing in the transport infrastructure but investing in the tourism infrastructure. If we talk about the Causeway Coastal Route and the Wild Atlantic Way, a big vision for people in Donegal, Derry, Tyrone and the north west involves connecting these two very successful tourist links and having a vision for the region. Investment by the Irish Government in City of Derry Airport would be very positive and productive financially.

While I welcome the Minister of State's commitment to meet Senator Niall Ó Donnghaile and me, I ask him to also meet the board and management of the airport. I believe that when he hears what they have to say, the Government will invest in the airport. It is our responsibility

and the right thing to do.

Deputy Patrick O'Donovan: I think everyone in the House will accept that the Government has very limited resources for the development of regional airports. We have two PSO routes - from Kerry and Donegal. A number of PSO routes have already been, for want of a better word, withdrawn. They include Waterford, Galway, Sligo and Derry. Based on the limited resources available, given the limitations and the fact that the policy has already been subject to scrutiny by the European Commission, we must work within the parameters set out in the Department's policies.

While I do not have a direct role in aviation or transport policy, I do have a role in tourism development. Certainly, I do not have any difficulty with meeting stakeholders along the Wild Atlantic Way. I holidayed in County Donegal this year and the previous year and I have to say it has an awful lot to offer. I would have no difficulty in engaging with public representatives from Donegal, Sligo and Leitrim on the development of the north west.

I will relay the Senator's sentiments to the Minister and ask his office to arrange at the earliest opportunity for him to engage with all Members of the Oireachtas from County Donegal on this issue.

School Transport Eligibility

Senator Mark Daly: I thank the Minister of State for coming to the House to discuss the provision whereby if a family have a medical card and there is space on the bus, a pupil is entitled to a concessionary ticket to the school of their choice. I know that the Minister of State is looking at the issue of school transport, but this issue is very contentious.

3 o'clock

The nearest-school rule has proved to be disastrous for some rural schools because it has halved the numbers attending. It is also an issue that pupils in some counties who went to primary school together have to go to separate secondary schools owing to quirks in the system. I am sure the Minister of State is aware of some of these issues.

The specific question I have, however, is on the medical card and whether a particular person would be entitled to a concessionary ticket to a school of his or her choice if there was space available on the bus. The child does not have any choice and must go to the school designated by Bus Éireann.

Minister of State at the Department of Education and Skills (Deputy John Halligan): I thank the Senator for raising the matter. School transport is a significant operation managed by Bus Éireann on behalf of the Department. During the 2015-16 school year, approximately 114,000 children, including almost 10,000 children with special needs, were transported on a daily basis to schools nationally. That is 114,000 to school and 114,000 from school. The 10,000 children with special needs are transported from door to door. It is a significant logistics operation that takes place almost every day.

I will set out first the purpose of the school transport scheme. Having regard to available resources, the purpose of the scheme is to support and transport to and from schools children who reside at a remote distance from the nearest school. Children are eligible for transport

where they reside not less than 4.8 km from their nearest post-primary school or 3.2 km from their nearest primary school as determined by the Department and Bus Éireann, having regard to ethos and language.

While it is the prerogative of parents to send their children to the school of their choice, eligibility for school transport is to the nearest school or education centre. Children who are not eligible for school transport may apply for transport on a concessionary basis only. The current difficulties are with concessionary tickets as they have increased dramatically in the past few years. At one stage, there were approximately 5,000 such tickets, whereas there are now approximately 22,000 concessionary tickets for children using school transport. School transport is for eligible children who have been catered for in the payment of a school transport charge. After that, concessionary passengers are taken on board where there is room on the bus.

The programme for Government commits to reviewing the concessionary charges and rules elements of the school transport scheme prior to budget 2017. I have asked to meet representatives of all parties in the past few weeks in order that they could put forward suggestions for improving the scheme because there are some difficulties inherent in it, particularly in relation to concessionary tickets. I gave an undertaking, pending that review, that there was no planned programme to downsize buses in the current school year albeit there have been route changes and variations in line with the normal operational decision-making that occurs from year to year.

Any impact in terms of an increase or decrease in the availability of spaces nationally was marginal. The vast number of families and children who use the scheme are very happy with it, particularly the 10,000 children with special needs who are transported daily from door to door. I am absolutely aware of difficulties with concessionary passengers. Simply put, if there is a 20-seater bus catering for 15 eligible children and five concessionary passengers and another child from the area becomes eligible for school transport, there is no choice but to remove one of the concessionary passengers from the bus. Legally and under the Department's rules, regulations and criteria, the eligible child has first call. We are having some difficulties in that regard. I do not like the idea of having to take any child off a bus. It is my belief all children who need to be transported to school should be so transported. I assure the Senator, however, that there have been detailed ongoing discussions with all parties who were represented at a number of meetings I have had. They are formulating proposals to be sent back to the Department. We will then meet again and if the Senator wishes to attend that meeting, there will be no problem. We will then meet representatives from the Department and Bus Éireann to tighten up the scheme. We will examine the scheme to see where there may be faults in it or elements on which we can improve.

I hope we may have within a few weeks some suggestions to put to the Senator. The matter is complicated and detailed. However, when one considers that 114,000 children throughout the country are transported every day to and from school, it is a huge logistical exercise and problems can develop.

Senator Mark Daly: I again thank the Minister of State for his reply. We will be feeding into the process he has outlined. I wish him well in his deliberations.

National Maternity Hospital

28 September 2016

An Cathaoirleach: Cuirim fáilte roimh an Aire Stáit.

Senator Kevin Humphreys: I thank you, a Chathaoirligh, for selecting this Commencement matter for debate. I have raised the issue again out of frustration.

Last June I raised the issue of the National Maternity Hospital, which has been located in Holles Street since the 19th century. It was established as a hospital in 1894. It is now the largest maternity hospital in Ireland and one of the largest in Europe, based on delivery rates. Almost 10,000 babies are born there every year.

There has been for the 20 years since 1996 a plan to co-locate the National Maternity Hospital on the same site as St. Vincent's University Hospital in Elm Park, Dublin. In October 2013 I was heartened when it was announced that the hospital in Holles Street would be moved to the St. Vincent's University Hospital site. A brand new hospital was to be built which would be suitable for the children of the future and for women to have their babies in a specially designed facility instead of one built in the 19th century. There has been no significant investment in Holles Street hospital since the mid-1950s.

In October 2013 it was announced that €150 million would be spent to build a new hospital, with €25 million to invest to ensure standards were kept up in Holles Street hospital. Planning permission was to be applied for in the last quarter of 2015. Lo and behold, however, a turf war broke out over who would control the budget. It was not necessarily about what is best for women or their children, but whether the current structure operating in the National Maternity Hospital would continue on as an independent hospital or whether St. Vincent's University Hospital would take over all control. That was never in any plan and it was never a problem until it was ready to go for planning permission. Nine months on, although I do not believe that period is significant, we still have had no decision.

The Minister appointed a mediator after I raised this matter last June. It is unacceptable that women and children are being put at risk over what are mainly men in grey suits on boards arguing over who will be in control of what budgets. I understand it is a voluntary hospital and when the Minister for Health, Deputy Simon Harris, was in the House in June, he said he did not have a plan B. That is not an excuse. The mediator has been working since June, but we have heard no result. The Health Information and Quality Authority, HIQA, has presented a damning report on Holles Street hospital, not on the staff but on the conditions, including overcrowding. There are ten delivery wards for nearly 10,000 births when one should have at least 24 delivery wards. What is planned for the new hospital is 24 delivery wards for a demand of 10,000 births. Only down the road, Holles Street hospital is struggling with ten delivery wards for 9,000 births. It is no longer acceptable that we should have a turf war between two hospitals that is affecting the health of and good outcomes for children and for women who go into the hospital to deliver babies.

I call on the Minister - it is the Minister of State who is present - to accept the need for a certain degree of urgency. There are games being played by the two hospital boards. I will not judge who is right and who is wrong. I only want a quality facility for women in which to have their children and for babies to have state-of-the-art facilities in the hospital which is not the case.

Minister of State at the Department of Health (Deputy Helen McEntee): I thank the Senator for raising this issue. It is me who is here, unfortunately, but my colleague sends his

apologies. My sentiments are the same as those of the Minister and I speak on his behalf.

This is a landmark year for maternity services. Ireland's first national maternity strategy was published in January and HIQA is currently finalising national standards for better, safer maternity care. A Programme for a Partnership Government commits to implementing the strategy and work to facilitate implementation is ongoing.

The €3 million development funding provided for maternity services in 2016 has been allocated in line with the strategy. This includes the establishment of the national women's and infant's health programme; the establishment of maternity networks across hospital groups; the appointment of additional staff; the development of specialist bereavement teams; and the implementation of the maternal and newborn clinical management system.

On the proposed move of the National Maternity Hospital to the St. Vincent's University Hospital campus, as the Senator stated, my colleague, the Minister for Health, Deputy Simon Harris, and I remain hopeful a solution to the current difficulties can be found. As the Senator correctly pointed out, issues have emerged in relation to the governance of the future maternity hospital on the St. Vincent's University Hospital campus and this has, unfortunately, delayed the project much longer than any of us would have hoped.

There have been a number of attempts in the past 12 months, particularly in recent months, to bring both hospitals together in an effort to work through the problems. Shortly after the Minister was appointed to the Department of Health, he met both hospitals and stressed to them the importance the Government attached to this major capital project. Co-location of acute adult and maternity hospitals is Government policy. The model of standalone maternity hospitals is outdated and not the norm internationally. I agree that the 10,000 babies about whom the Senator speaks about deserve to be born in a hospital that is fit for purpose and modern. Co-location helps ensure that, where necessary, mothers have immediate access to a full range of medical and support services.

In an effort to broker a solution, the Minister appointed Mr. Kieran Mulvey to facilitate the discussion between the two hospitals. Mr. Mulvey has engaged extensively with both parties since June and mediation talks are being conducted independently of the Department. However, the Minister has been assured both hospitals have worked constructively and collaboratively and are focused on finding a solution. It is not acceptable that it has been ongoing as long as it has, but I understand the talks will conclude shortly. At this delicate stage in the negotiations, both parties should be afforded the space to work with Mr. Mulvey to identify a resolution away from the media spotlight, and to ensure it does not continue to be, as the Senator put it, a turf war.

The Senator can rest assured that efforts to agree a future governance structure for the co-located hospitals are continuing. There are significant infrastructural deficits within the National Maternity Hospital and the Minister is acutely aware that the future of the NMH is not at Holles Street. However, as both hospitals are voluntary independent hospitals, a solution cannot be imposed on them. Ultimately, both hospitals will have to reach an agreement on the outstanding governance issues if this project, as envisaged, is to proceed, which we all hope it will. I certainly want it to proceed. We want to see a world-class, state-of-the-art maternity hospital development on the St. Vincent's University Hospital campus.

This is a matter of urgency, but something like this takes time. If Mr. Mulvey was appointed

in June, one needs to afford him a period of time to work with both hospitals and get the best out of the negotiating process. It is my understanding the talks will conclude shortly and I hope we will have an adequate resolution.

Senator Kevin Humphreys: I hate to say nothing has been added to this issue but time and both parties have been afforded time. There is nothing new about this project as it has been known about since 1996. As I stated, the announcement was made in 2013. Moreover, as planning permission was to be applied for in the last quarter of 2015, there is nothing new about this. If both parties believe they can resolve the issue, why not let the planning permission be applied for while they continue discussions? It had been planned that a new maternity hospital would open there in 2018, but that date now has long passed and we are contemplating 2019. Let the mediation continue for three years. Let the structures be hammered out and agreed, but, for heaven's sake, let planning permission be applied for. It was estimated in 2013 that the building cost would be approximately €150 million. That has gone out the window because building costs are shooting up at this stage. Consequently, additional resources must be given to build a new national maternity hospital.

I do not know what is going on behind the scenes and wish the mediator the very best of luck, but, historically, representatives of St. Vincent's University Hospital, Elm Park, have appeared before the Committee of Public Accounts and been knocked about. Is that something that is happening in the background that is delaying the project? I appeal to both sides to allow the planning permission application to go ahead and we can talk about the rest for three years. However, it is unacceptable to me and the women and children of Ireland that this hospital be delayed further. I say to the two parties, not the Minister of State, that they should get on with the business of having a proper national maternity hospital built for the country. The two bodies knew quite clearly that this had been planned for 20 years and was announced in 2013. I find it unacceptable that they still are playing tiddlywinks and power games with the health of women and children.

An Cathaoirleach: I thank the Senator.

Senator Kevin Humphreys: I apologise, but I am quite passionate about this issue. I have been working on it since serving on the board of the National Maternity Hospital since 1999 and having seen the outdated facilities in which women are meant to have their children. It simply is unacceptable and we must move on from it.

An Cathaoirleach: The Senator is well over the time. His case has been well made.

Senator Kevin Humphreys: I thank the Cathaoirleach.

An Cathaoirleach: Does the Minister of State have anything to add?

Deputy Helen McEntee: I reiterate that I hear and see the Senator's frustration. I have faith in Mr. Kieran Mulvey as I have seen him work with previous projects that had been stuck and he has managed to move them on. I do not believe an indefinite period of time has been given and certainly would not like to see another three years spent in mediation. It needs to happen now. If possible, I will revert to the Senator with a more definite timeline in that regard. It is my information that it is nearing a conclusion. While that answer obviously may not be good enough for the Senator, given that this has gone on for so long, I will make inquiries to ascertain whether I can get a timeframe for the end of the discussions.

Order of Business

An Cathaoirleach: I welcome back all Members. I am glad to note that we are still here.

Senator Terry Leyden: We are.

An Cathaoirleach: We are in a new session. I wish Members luck in the session and hope we will get some positive work done. I call the Leader to outline the business of the day.

Senator Jerry Buttimer: I love the enthusiasm of Members opposite. It is fantastic. New politics are alive and well.

The Order Business is No. 1, Finance (Certain European Union and Intergovernmental Obligations) Bill 2016 - Second Stage, to be taken at the conclusion of the Order of Business and conclude not later than 6 p.m., with the contributions of group spokespersons not to exceed eight minutes each and those of all other Senators not to exceed five minutes each and the Minister to be given five minutes in which to reply; and No. 24, non-Government motion No. 9 re economic growth, to be taken at the conclusion of No. 1.

An Cathaoirleach: Spokespersons have three minutes in which to contribute on the Order of Business and all others contributors have two. I am certainly going to be much stricter during this term when it comes to Members rambling on. If they have a particular issue to raise or want to engage in a long debate, they should submit a Commencement matter. It would not be appropriate to do so now. The whole purpose of the Order of Business is to ask a question and elicit an answer. It is not meant for long speeches or debates.

Senator Catherine Ardagh: I look forward to working with the Cathaoirleach during this term.

I call on the Minister for Education and Skills to review the process of selecting schools for participation in the DEIS programme. I have been contacted by the principal of the Assumption girls' national school in Walkinstown, Dublin 12 who has raised concerns with me about the process. The school is an island surrounded by DEIS schools. The selection process is not fit for purpose. The majority of indicators for DEIS school selection relate to performance, with only one relating to socioeconomic measures. Therefore, the selection process penalises schools for doing well. A review of the DEIS school selection method was promised in 2005, but nothing has happened to date. In April 2015 the then Minister, Deputy Jan O'Sullivan, undertook to conduct such a review, but it has not been completed. As part of the Government's confidence and supply agreement, it was agreed that increased community-based intervention programmes would be initiated. Given the deprivation levels in Dublin 12 and the known socioeconomic problems relating to crime and poverty, the Government is not adhering to that agreement in excluding the Assumption girls' national school. It is not a DEIS school, but it has applied for and been granted developmental status. When it submitted an application for increased class sizes, it did so on the basis of numbers at the end of last term. Owing to the housing crisis and the fact that many parents have taken their kids out of the school to move to other parts of Dublin, the school's numbers will change and it may not be able to achieve the same pupil-teacher ratio. It is currently 30:1, whereas the ideal is 27:1. Will the Minister

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consider reviewing the DEIS school selection process, not just in Dublin 12 but all over the country? Mol an óige agus tiocfaidh sí.

Senator Gerard P. Craughwell: I welcome the Cathaoirleach and the Leader back after our short break. I look forward to working with the Leader during the coming session.

In the previous Seanad I spoke in favour of former Senator John Crown's Bill dealing with the issue of forced retirement on a particular day just because one had happened to pass a particular birthday. Unfortunately, that Bill did not complete its passage. I have received a number of queries from the Leader's county about the appointment of the president of Cork Institute of Technology, CIT, who I understand was reappointed by the outgoing board on a five-year contract at the age of 63 years when it knew that there was a statutory bar on him serving beyond the age of 65. Actually, I am not sure the statutory bar applies to him, as I believe it was lifted some years ago. If there is a fault in the process, will the Leader use his good offices to establish that the process was undertaken correctly and that CIT went as far as it could to find a suitable replacement for the president? This is a significant time in the lives of institutes of technology as they move towards technological university status and we do not want to see the old cronyism, for want of a better word, keeping someone in a job in which he or she should not be. I mean no disrespect to the president who, as I am sure the Leader will agree, has done a marvellous job for CIT during his term of office, but we must ensure fair processes are followed across all systems. I appreciate the Leader taking the time to listen.

An Cathaoirleach: Senator Rose Conway-Walsh is next, or someone from Sinn Féin.

Senator Máire Devine: I am Senator Máire Devine.

An Cathaoirleach: I apologise.

Senator Máire Devine: I am not from Mayo; I am from Dublin, thank you very much.

An Cathaoirleach: Normally we have the same leader from each group. That confused me.

Senator Máire Devine: Last week I attended a briefing in Leinster House with representatives of the Psychiatric Nurses Association, the Irish Nurses and Midwives Organisation and SIPTU on the lack of implementation of what had been agreed with the Health Service Executive, HSE, on nursing internships. The agreement was reneged on by the Minister for Public Expenditure and Reform, Deputy Paschal Donohoe, and it is leaving the 2011 intake of nurses who trained until 2015 with less pay than the graduates we will see this September and October. The people in question are mentoring, teaching and passing on experience to less experienced nurses who are just about to qualify. One can contrast this with the massive spending on agency staff day in and day out in the HSE. Some €2.2 million is spent on agency staff each week, while the cost of trying to keep the nurses here is just over €4 million. Nevertheless, the Department of Public Expenditure and Reform is refusing to meet the trade union representatives. It is hypocritical in the extreme to appeal to nurses to come home and have a better career when they will have no such thing. They will have less pay as there are better salaries, terms and conditions abroad. What message does this send when nurses are in such short supply?

I e-mailed the Minister last Thursday and offered to facilitate a meeting between union officials and his Department in an attempt to resolve the issue, but there was no response. I also note that there was no response to an e-mail sent by the unions. The result was that hundreds of union members were forced to take to the streets yesterday in a first show of dissent which has

the capacity to develop into further industrial action. We currently have bus drivers on picket lines and it looks like that gardaí will be next. Do we want nurses outside hospital doors also when there is a crisis within the health care system? I appeal to the Minister to sit down with unions to resolve the issue.

An Cathaoirleach: I apologise to the Senator. Perhaps by the end of Saturday night she might be glad to be from Mayo.

Senator David Norris: Hear, hear.

Senator Colette Kelleher: I raise the urgent issue of fire safety in Traveller accommodation. On 10 October last year ten citizens tragically lost their lives in a fire in Carrickmines. Those who died were Willie Lynch and Tara Gilbert, with their daughters, Kelsey and Jodie; Willie's brother, Jimmy; Thomas and Sylvia Connors and their children, Jim, Christie and six-month-old Mary. In the wake of the tragedy a national fire safety audit of all Traveller accommodation was ordered. The report from the national directorate of fire and emergency management was published in recent days and found that over 80% of the units inspected had no smoke alarm or fire blanket. It also indicated that access for fire services to sites was a concern in just under one third of cases, with separation distances, in other words, overcrowding, a concern in over one half of cases. Furthermore, it noted that protecting people from the dangers of fire was particularly challenging in the confined and cramped conditions in which families living in caravans or non-standard accommodation might find themselves. Unofficial and roadside halting sites were the most vulnerable to lapses in the context of fire safety and inappropriate access. These are the categories which were most likely to be missed in the audit and the real picture is probably worse than the report indicates. Currently, 534 families are living in unofficial, unrecognised and unserved accommodation.

In May 2016 the European Committee of Social Rights found the Irish Government to be in violation of Article 16 of the European Social Charter on five grounds, including the insufficient provision of accommodation for Travellers, and concluded that a number of sites were in poor condition, lacked maintenance and were badly located. According to the director of the Irish Traveller Movement, Mr. Bernard Joyce, with whom I am working, Travellers' quality of life, physical and mental health are linked with the quality of their accommodation. Fire safety protection is a basic entitlement. Since the devastating fire in Carrickmines, there have been other fires on halting sites and more people will die unnecessarily unless something is done. Rebuilding Ireland commits to an expert, independent review of capital and current funding for Traveller-specific accommodation which is needed, but the plan does not reference the scale of the project or the investment needed to bring it up to standard. I back the call of the Irish Traveller Movement for the Minister with responsibility for housing to prioritise the issue of overcrowding on sites as a matter of urgency and address the issues raised in the European Social Charter. I also urge the Leader of the House to raise the issue directly with the Taoiseach who attended some of the funerals because another tragedy similar as the one in Carrickmines can and must be prevented.

Senator Ivana Bacik: As we face into a new session, I welcome some of the Bills in the legislative programme, albeit a fairly light one. In particular, I welcome the disability Bill and the Bill to establish the judicial council. It is also welcome that we will have the Taoiseach with us tomorrow when we will be able to raise a number of issues with him.

I ask the Leader for a debate on third level funding, when we can arrange one, in the coming

weeks. Today I attended, as did many colleagues, an excellent briefing by USI, SIPTU, IFUT and other unions as part of the coalition for publicly funded higher education. This is a matter of increasing urgency. We need to put pressure on the Government to take a decision on foot of the recommendations made in the Cassells report. Many of us will be pushing for an increase in public funding which the Cassells report acknowledges is the primary aim and need. We saw university rankings slip over the summer; therefore, this issue has become increasingly urgent. However, there is good news for the universities. This Friday night we will have a festival of research in Trinity College Dublin. It is called PROBE and being facilitated by the Science Gallery. Senator David Norris will be one of the speakers. The festival will showcase some of the important research being done in universities. It is open to the public and all are welcome. It will show how important higher education is as a sector in Ireland.

I ask the Leader for a debate on the situation Syria in the light of the appalling crisis we are seeing unfolding, with the Syrian Government and Russia effectively abandoning the peace process. There are 2 million people in Aleppo without running water and 250,000 civilians trapped in the rebel held areas which are under constant and horrific bombardment, with currently only approximately 30 doctors functioning in hospitals. I will also be raising the matter with the Taoiseach tomorrow when we have him before us, particularly in the light of the slow pace of the welcome here for Syrian refugees. We had promised to welcome 4,000, but we have only welcomed a very small handful yet.

I also ask the Leader for a debate on the repeal of the eighth amendment. I was among the many thousands who marched on Saturday with the Coalition to Repeal the Eighth Amendment and other groups. We are conscious that the Citizens' Assembly has been convened for 15 October, but I ask the Leader to try to establish from the Taoiseach the likely timeframe for a recommendation from the assembly on the eighth amendment, knowing that that is the first issue with which it has been tasked to consider and also knowing that the movement for repeal is really growing, as evidenced by the 25,000 or 30,000 who marched on Saturday.

Senator Martin Conway: On Monday, 12 September, a wonderful human being and a good friend of mine, Caitríona Lucas, lost her life while volunteering with the Irish Coast Guard on a search and recovery mission off the coast of Kilkee, County Clare. She lost her life in the line of duty for the State. What she was and had been doing for the previous ten years was heroic work. Like the 3,000 other Irish Coast Guard volunteers throughout the country, she risked her life on search and rescue and search and recovery missions. It is a tragedy for her husband, Bernard; her son, Ben; and her daughter, Emma, to whom I express my condolences. I am sure every Member of the House agrees that what she was doing was heroic. She was the first member of the Irish Coast Guard to lose her life in the line of duty. It is very emotional and upsetting for the people of County Clare, particularly her neighbours and friends and those who knew and loved her. She was an absolutely amazing human being and completely dedicated to her family, neighbours and community. She was involved in many aspects of her community. Her day job was as a librarian - educating and teaching children and getting them active. She embraced rescue and recovery missions and spent much time training and developing new techniques to enable the people who visited County Clare and the surrounding areas to enjoy our natural beauty in a safe way and to ensure that if they found themselves in trouble, the best possible expertise would be available to help them. I propose that, before the Leader sums up on the Order of Business, the House observe a minute's silence in memory of a courageous and wonderful human being. At a later date, perhaps we might have a debate on the work the 3,000 volunteers of the Irish Coast Guard do. The Irish Coast Guard is the fourth emergency

responder after the Garda, the National Ambulance Service and the fire service. In memory of Cairtriona Lucas and the wonderful work she did and the fact that she laid down her life in the service of the State, we must consider giving the Irish Coast Guard the same parity of esteem as the other emergency services.

Senator Jennifer Murnane O'Connor: I extend my sympathy to the Lucas family. It was very sad and the whole of Ireland was in shock when we heard it on the news and read about it.

As the Leader is aware, this is the time local authorities to do their budgets. Councils have experienced major changes. The most significant issue for local authorities is the abolition of all of the town councils. Additional issues are the cost of the land aggregation scheme and the loss of rates from the local enterprise offices, LEOs, and utilities such as the ESB, Bord Gáis and Eir. In my local authority, on average, 40% of people are in the €90 local property tax category, another 40% are in the €225 category, while 20% are in the €320 category; in other words, in the three lowest categories, like in many small towns. If the Minister does not give extra capital funding or does not come to some agreement with local authorities, services will be cut, which will affect the normal person in the maintenance of libraries, parks and roads. I have addressed the Minister for Housing, Planning, Community and Local Government, Deputy Simon Coveney, on this issue, but I have not received a reply. It is very unfair for him to compare cities and larger towns, which can take in extra funding using different tools and other local property taxes, with smaller towns which cannot do. I, therefore, ask the Leader to contact the Minister to ask him to return to the local authorities which have been seeking extra capital funding or some agreement in order that budgets can be passed for 2017.

Senator John O'Mahony: We are all aware of how sport can lift the spirit of a nation and it is the first time we have had an opportunity to congratulate our Olympians and Paralympians on their success in Rio de Janeiro. I congratulate the O'Donovan brothers and Annalise Murphy who won medals at the Olympic Games and all 11 medal winners at the Paralympic Games, particularly Jason Smyth and Michael McKillop who are multiple medal winners at four Paralympic Games. Just as we are aware of this, there have been many issues that have depressed the nation and given sport a bad name. We all know about the ticketing controversy. As I am aware of the commission of inquiry, I do not want to refer to it too much. There is the issue of governance in Irish sport in some of the governing bodies. During the Olympic Games a boxer arrived in Rio de Janeiro and failed a drug test. Was it known before he had departed Ireland? Today a story broke about two boxers who had been disciplined and warned about betting. One of them had placed a bet on his opponent and against himself. The issue needs serious attention. I understand there will be reviews by the Irish Sports Council and the Olympic Council of Ireland. In view of all the instances highlighted, when will the funding for the Olympic Council of Ireland be reviewed? While the Irish Sports Council and the Olympic Council of Ireland will provide reports on these matters, will the Leader, at the earliest and most appropriate opportunity, ensure there will be answers to these questions? We need to have more successes which lift the nation and fewer of the negative issues which only depress it.

Senator Trevor Ó Clochartaigh: Cuirim fáilte ar ais roimh chuile dhuine. Tá súil agam go raibh briseadh maith ag daoine.

Aontaím go huile is go hiomlán leis an Seanadóir Colette Kelleher faoin méid a bhí le rá aici maidir le cóiríocht don Lucht Siúil. I concur wholeheartedly with Senator Colette Kelleher in her well spoken comments on the Traveller accommodation issue.

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We previously called for several debates on various matters, including rural affairs, Gaeilge and the Gaeltacht, diaspora affairs, etc. Will the Leader outline if these debates will be scheduled to take place in this session?

We certainly need to have a debate on the future of Irish Water. There was too much toing and froing over the summer by certain political parties which seem to be very confused on the issue. Clarification as to where they stand is important. The Houses also need to debate the future of the provision of water in rural and urban areas and where is Irish Water going and what are the plans for it. It seems that the overwhelming majority of Members elected to these Houses are against water charges. I know that there will be a debate in the Dáil, but this House should have its own on the future of paying for water. Such a debate could be conducted in a reasonable manner, with Members putting forward arguments. When one saw so many again taking to the streets in recent marches, one knew that the matter of water charged had not gone away and neither had the campaign. I would welcome a debate on the issue.

Senator Jennifer Murnane O'Connor referred to local government funding. I raise the particular issue of the future of libraries. There seems to be an ongoing pilot scheme for self-service libraries, a development which concerns many librarians and people who use libraries. It is really seen as a precursor to cutbacks in library services and staff numbers. Issues to do with health and safety are being raised when people use the facilities, including their abuse, etc. A debate on the future of libraries would be useful.

Senator Maura Hopkins: I refer to farmers, particularly in the west, who are concerned about the difficult weather conditions we had throughout the summer. I understand Teagasc is undertaking a survey to determine the extent of the tillage crisis, looking at how many hectares of barley, wheat and oats are yet to be harvested. There are farmers who have managed to harvest crops, but the yields and quality are poor. I urge the Minister for Agriculture, Food and the Marine, Deputy Michael Creed, to take on board the difficulties farmers experienced during the summer. In the western region I know of quite a number of farmers who had to house animals much earlier than anticipated, with the result that they are dealing with unforeseen costs. This will inevitably lead to a significant fodder deficit in the future. Many farmers have also been unable to empty their slurry tanks. Will the Minister consider extending the slurry spreading date beyond 15 October? Overall, it has been a difficult time for farmers who are also struggling in terms of their incomes. It is important that the Minister and the Government ensure supports are put in place for farmers during this period of unseasonable weather.

4 o'clock

Senator Terry Leyden: Will the Leader ask the Minister for Health to come to the House to explain the circumstances surrounding the case of a two-year-old child who was refused treatment by WestDoc in Roscommon last November and brought by very anxious parents to Portiuncula Hospital, bypassing Roscommon University Hospital which has no emergency department? The parents had to drive to Portiuncula Hospital because there was no emergency department in Roscommon University Hospital. Roscommon University Hospital is a very beautiful hospital, but the most basic service in a hospital is the emergency department. I was very proud to make sure it remained open during the Fianna Fáil Administration. It should never have been closed by the previous Administration. It was an absolute disgrace.

(Interruptions).

Senator Terry Leyden: The young girl in question has now received-----

(Interruptions).

Senator Terry Leyden: The former Minister for Health, Senator James Reilly, and the Taoiseach closed it.

Senator Frank Feighan: Call in to see it.

Senator Terry Leyden: The Senator should be very proud. The child had to be brought-----

Senator Frank Feighan: It is busier and safer than ever before. If the Senator was to call in and talk to consultants-----

An Cathaoirleach: All the Senator is doing is prolonging the debate.

(Interruptions).

An Cathaoirleach: This is not a council chamber. It is the Seanad.

Senator Terry Leyden: It is not nonsense when a two-year-old child had to be brought to Portiuncula Hospital when the situation was very serious. She has received a bill from Intrum Justitia for €100. The family earns €400 per week. The company has been directed by the HSE and seems to be chaired by a Swedish individual called Lars Lundquist, while other individuals on the board of directors include Ulrika Valassi, Synnöve Trygg and Karolina Sandahl. The headquarters-----

An Cathaoirleach: It is not fair to name individuals. The Senator has been here a long time. He should not mention names.

Senator Terry Leyden: I am going to name them because I believe they should be named.

An Cathaoirleach: I will not allow the Senator to name them. I ask him to respect the Chair. I have given him a good deal of latitude.

Senator Terry Leyden: I have a few more names, but I will not give them out of respect for the Chair.

An Cathaoirleach: Please do not name them. The Senator is bringing the Chamber into disrepute.

Senator Terry Leyden: This company has been assigned to pursue a two-year-old child for €100, which is bloody outrageous. It is about time the Minister for Health took control of the health service. He should not allow these bureaucrats to engage an international company to collect €100. The bill was sent to the child, but she cannot pay it.

An Cathaoirleach: The Senator's point has been well made.

Senator Terry Leyden: I am telling my constituents not to pay it in the circumstances because a child aged two years is not liable for a bill of €100. It is outrageous. Senator Frank Feighan can be very proud that the emergency department in Roscommon University Hospital is closed. It is a bloody shame and he voted to close it.

Senator Ray Butler: I wish to raise an issue that was a blight on rural Ireland during the

crash, namely, legislation dealing with quarries. Now that construction has begun again after the crash, nobody has any problem with progress, but I have seen three or four quarries in County Meath from which companies just walked away. With residents, I viewed one quarry on the border between Longwood and Rathmoylan where a man-made lake was left behind. Acres of desolate land were left behind. There were no safety measures and children were swimming in the lake that was left behind by the company that had quarried limestone. It was a disgrace that there was no legislation to tell the company to come back and clear up the mess it had left behind. There are three or four such quarries in my county from which companies have just walked away. Will the Minister for Housing, Planning, Community and Local Government come to the House to talk about proper legislation to deal with this issue? It is a huge issue all over the country. I am sure Members in this Chamber have issues relating to quarries in their counties where companies have walked away and just left the areas desolate. A person would think he or she had landed on the moon. When I went to see the quarry and went around the corner, I saw a massive man-made lake that would cost millions of euro to fix. It is a disgrace. We need serious legislation because local authorities do not have the powers to cope with these companies which just walk away. We need to be proactive for future generations and to ensure safety for all. History will not be kind to us if we do not address this issue.

Senator Rose Conway-Walsh: I apologise for having to nip out earlier and thank the Cathaoirleach for giving me the opportunity to speak now. There are many important events about which I could talk today. There are many events that have happened since the House last met. There has been the Apple case, the huge efforts by the Government to hand back the €13 billion and the continuous denials that we have facilitated tax evasion and avoidance on a huge scale. We have the NAMA inquiry and the shenanigans that appear to have gone at it. I call for a debate in the House on the issue.

The real subject about which I want to talk to the Leader today, however, is health. Since we last met, a patient died while waiting on a trolley in Galway. We cannot stand by and let that happen. It was a tragedy for the individual's family and friends and it had happened before, most recently at Tallaght hospital. There are 33 patients waiting on trolleys at Galway University Hospital and the national figure is 396. These are the lucky ones. They are the ones who are actually given a trolley. There has been a continuing saga of vital treatment being postponed because people cannot even be given a trolley or a bed. There are patients who had to go home from emergency departments because there were no beds and they could not be seen.

There is a great deal of amnesia in the House. I agree with Senator Frank Feighan. I remind people of the trolley numbers from 2001 when Deputy Micheál Martin was Minister for Health and Children. In 2001 there were more than 500 patients on trolleys. When former Deputy Mary Harney was Minister for Health and Children, I invited her to come to Mayo General Hospital to look into the eyes of the people who were spending their last days on earth on trolleys and tell them why they could not have a bed or a room, but nothing was done. It was declared at the time to be a national emergency. It continued in 2006 and, again, in 2008, when over 400 patients were left on trolleys and nothing was done. We must be mindful that at the time the country was awash with money, but the problem was completely ignored. Members who talk about health as if it was a crisis that dropped out of the sky in recent months are deluding themselves. I want the Minister for Health to come to the House to tell us what the plan is. I remind former Deputy Mary Harney that she closed, aided and abetted by Fianna Fáil, the hospital in Belmullet.

An Cathaoirleach: Former Deputy Mary Harney retired from politics.

Senator Rose Conway-Walsh: She has gone to PD heaven. Privatisation and centralisation have ruined the health service.

An Cathaoirleach: I gave the Senator 20 extra seconds. I was very fair.

Senator Rose Conway-Walsh: I thank the Cathaoirleach.

Senator Kieran O'Donnell: Senator Maura Hopkins referred to agriculture and farmers. It would be opportune to have the Minister for Agriculture, Food and the Marine come to the House to discuss the low farm-gate prices farmers are receiving for their produce. There appears to be an alarming disconnect between what customers are being charged by the multiples and what farmers are getting for their produce. I understand work is being considered at national and European level and suggest we ask the Minister to come before the House to update Members on it. There are implications for both rural and urban areas in a situation where the multiples are dictating prices to the extent that co-operatives can only pay a certain rate to farmers for milk. This is a problem and it is something we need to investigate in order to determine what exactly is going on. There has been a great deal of talk about it. This is a debating Chamber and this is a matter we can track from the farm gate to the consumer. Ireland is an agricultural nation. This has implications for farmers, co-operatives, processors and, in many cases, local shops that cannot compete. I suggest we request that the Minister for Agriculture, Food and the Marine and any other relevant Minister come before us to provide an update on how the issue of the disconnect between farm-gate prices and the price charged to the consumer is being looked at nationally and at European level in order that farmers and others along the supply and distribution chains will get a fair price for their produce.

Senator Grace O'Sullivan: It is lovely to be back in the Chamber again. The summer recess was far too long and I feel we should all have been back a few weeks ago, getting on with the hugely important issues facing citizens.

Today the Green Party published legislation on microbeads which are small plastic beads found in soaps and cosmetics. They are causing contamination in our marine environment, as well as rivers and inland waterways. The legislation seeks to prohibit the manufacture and sale of microbeads and we hope we will receive support from this House on the matter. The Minister for Communications, Climate Change and Natural Resources, Deputy Denis Naughten, said on radio this morning that he would be interested in banning the use of microbeads. The legislation will be brought before this House in the coming weeks when I hope all Senators will support it.

Senator David Norris: I beg the indulgence of the House to express my sympathy to the people of Israel on the death of Shimon Peres, the former President and sometimes Prime Minister of that country. I met him several times, the first time being 20 or 30 years ago in Jerusalem. I found him to be a man of extraordinary intelligence and wisdom. He pointed to the centrality of the water problem as one of the big issues behind the Middle Eastern conflict. He was impressive and one of the founding fathers of the state of Israel. He was a pupil of David Ben-Gurion and awarded the Nobel Peace Prize, with Yitzhak Rabin and Yasser Arafat. He is seen as a dove, but, if so, he was a dove with eagle's talons because he was the architect of the settlement programme which is at the heart of the divisive problem of Palestine and Israel. He was also the brains behind the nuclear programme which provided Israel with nuclear weapons, even though it never publicly acknowledged this. It was with mixed emotions that one learned the news of his passing, but one has to understand the feelings of the majority of people in

Israel, even though a Palestinian representative would take a very different view of Mr. Peres. However, he was undoubtedly a man of intelligence and wisdom. I think his loss will be felt by the people of Israel.

Senator Michelle Mulherin: I ask the Leader to invite the Minister for Communications, Climate Change and Natural Resources to the House to discuss how we are setting about achieving our renewable heating targets for 2020, which we are obliged to do. As the House will know, we are required to obtain 12% of the heat for homes and businesses from renewable sources by 2020. There are two aspects to the matter. First, we have a carbon tax which was introduced in 2010. That tax was increased in May 2013 and 2014. Second, we should debate how this money is being spent and whether the carbon tax, as applied, is a crude instrument to achieve our targets. This is especially so in the case of heating homes for people who are on very low incomes. They do not have a choice whether to buy coal or oil, although carbon tax is levied on such solid fossil fuels. Such persons cannot afford to buy new heating systems. I compliment the Sustainable Energy Authority of Ireland for its hard work in improving energy efficiency in old houses. This means that people are using less heat, while the heat generated is better contained. However, where is the money from the carbon tax going? We should also have a renewable heating incentive to encourage people to install woodchip heating facilities both in households and commercial enterprises. It is not currently attractive because a barrel of oil is relatively cheap. In addition, given the advances in technology, solar panels now even work in Ireland, including the west. While this was a problem for quite some time, people could now be incentivised to use solar panels both in businesses and homes. We could look at co-locating solar energy farms beside wind farms and might get around some of the planning objections that can arise in trying to build renewable energy infrastructure. I ask that the Minister be invited to come to the House for a debate on the issue.

Senator Lorraine Clifford-Lee: I was alarmed when I read recent media reports on the child care proposals of the Minister for Children and Youth Affairs, Deputy Katherine Zappone, for inclusion in the upcoming budget. No regard seems to be given to families in the squeezed middle bracket who have borne the majority of tax increases and public service cuts in the past five years. When I refer to the squeezed middle, I refer to those earning between €33,000 and €70,000 per annum. These families pay high housing costs, on top of which they pay astronomical child care costs. One parent is often forced out of the workforce because of child care costs and nine times out of ten that parent is the mother. These child care costs continue to act as a barrier to re-entry to the workforce, even after the children have reached schoolgoing age, and this leads to mothers being squeezed out of the workforce. Fianna Fáil has put forward a progressive tax credit proposal which would put money back into the pockets of squeezed middle-income earners. That is the least we can do. Yesterday, I met an Australian MP who was appalled when I explained that families here were not assisted with the cost of child care. In Australia 50% of the cost of child care is covered for families who earn under \$100,000 a year.

I urge the Minister to also fund the early child care sector better. This should be taken in tandem with any proposal introduced in the budget. The early childhood care and education, ECCE, scheme is chronically underfunded and it is unsustainable as we move forward. We need to start prioritising children and families.

Senator Tim Lombard: Senators Kieran O'Donnell and Maura Hopkins referred to the plight of the farming community, but there is a major issue with grain growers and the grain sector. The grain sector in Ireland is on the verge of failing and ceasing to exist because of a fourth year of bad weather, bad prices and bad volume. We are looking at a situation, from Cork

to Donegal, where grain has not been harvested, prices are as low as €135 a tonne and moisture content is anything up to 30%. It is a massive issue for everyone involved in the agriculture sector. We cannot let the sector slip through our fingers, as it were. We must act. A package of €11.2 million has been put in place for the livestock sector this year, but there has not been one for the grain sector. It is one of the issues about which we need to talk to the Minister. He should come to the House to discuss it because we need to go to the European Union to get an aid package for grain farmers and the grain sector. I met grain farmers from all over west Cork last weekend, from Kilbrittain and Ballinascarty all the way to Roberts Cove, and the story is the same. They are at the end of their tether and need assistance. I hope the Minister will go to the European Union and that we will get an aid package because without that I do not see this sector existing and it would be an awful shame.

Senator Niall Ó Donnghaile: Mar a dúirt roinnt daoine eile cheana féin, tá sé thar a bheith maith a bheith ar ais chun na cúrsaí seo a phlé inniu.

I draw the attention of the Leader and Members to the welcome news of an agreement that was reached in north Belfast on outstanding contentious parades between the Crumlin and Ardoyne residents association and local lodges of the loyal orders. On behalf of my party, I commend the two mediators who were involved in those discussions, the Rev. Harold Good and Mr. Jim Roddy, both of whom, with others, have played a key role in navigating what I am sure everyone will appreciate have been difficult and choppy waters in that part of the city relating to the parading issue and what has become known as Camp Twaddell. The agreement offers the opportunity and has the potential to be transformative both for the specific bespoke issues faced by the community in north Belfast and for those communities dealing with what I stress are the last few issues of contentious loyal order parades. I am, however, disappointed - I am sure Members will share my disappointment - but not entirely surprised that some have sought to rally against this positive agreement. When negativity and regression are one's *raison d'être*, that really is all one has to offer one's local community. What a sad reflection that is. However, Members should take the opportunity to send a clear message from this House that they support and seek to bolster localised dialogue to seek a resolution to the issue of contentious parades and that they stand ready to support, where appropriate, the facilitation of that dialogue.

Senator Maria Byrne: As I had intended to raise it, I support the call made by Senator Tim Lombard regarding the grain industry. Consequently, I will speak about something else instead, namely, the protection of the 9% VAT rate for the tourism industry. This is a highly vulnerable industry and since the 9% rate was introduced in 2011, it has been responsible for the creation of many jobs across the sector. There is a fear that were it to be touched in the forthcoming budget, it certainly would have a detrimental effect post-Brexit on many jobs and businesses across the tourism sector. The 9% rate gave great confidence in respect of job creation to businesses in the tourism industry during the downturn. As a consequence of the lower VAT rate, it was one of the few industries in which job creation took place. I, therefore, call on the Minister to retain it.

Senator Robbie Gallagher: I also welcome everyone back to the Seanad for this term. I wish to mention briefly the issue of Brexit and note that the Taoiseach will come to the House tomorrow to address Members, which I greatly welcome. I ask the Leader to raise with him my concerns about Brexit which I will outline briefly. Last week, like many other Members, I attended a symposium organised by the Ceann Comhairle, Deputy Seán Ó Feargháil, which I found to be highly informative. Many expert speakers were present to give their opinions on the uncertainty which unfortunately will continue for some time to come. The Leader should

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bring three points to the Taoiseach's attention. First, it is of vital importance that a senior Minister be appointed to oversee the entire Brexit process. It is a serious issue that will have major implications for the future of the country. Second, the Leader should communicate to the Taoiseach that in negotiations between the European Union and the United Kingdom he should insist on the presence of the aforementioned Minister to co-ordinate everything that needs to be co-ordinated across all agencies and Departments. I ask the Leader to mention to the Taoiseach that everyone agrees that no country is affected more by the Brexit vote than Ireland and that, on a more micro level, no part of the country is affected more by the Brexit vote than the Border counties from Donegal to Louth. Consequently, I ask that these counties be given special consideration in future negotiations that take place.

Senator Colm Burke: I also welcome everyone back for this term. A number of Members have raised the issue of health which is an important one for discussion. While there are difficulties in certain areas, Members should also acknowledge and check out an interesting report that has just been published in the medical journal, *The Lancet*. Ireland is ranked 13th out of 188 countries in the achievement of the United Nations' development goals on health. There is much adverse coverage on health services, which is having an effect on those who work in the health service. More people than ever are out of work in the health service because of stress, much of which is generated by poor media coverage. In the past week one newspaper carried an article about an alleged rape and the same article described complaints to the Medical Council. There is a big difference between that criminal offence and complaints to the Medical Council and it is wrong that they were tied in one article. That was not helpful to those involved in medical services.

I agree with Senator Máire Devine on the nursing issue. It is important and can easily be resolved. I fully support what she said about nurses where the difference has arisen and it would not be that costly to resolve the issue. The Leader, Senator Jerry Buttimer, and I attended a meeting with the management of Cork University Hospital and of 50 nurses who graduated this year in Cork, 48 are now employed in that hospital. That is the change we need to get. We still need to bring many people into the service. I agree that we need to remove the dependence on agencies to provide nursing staff and she sooner we do that, the better. We need to make sure it is attractive for nurses to stay here to work. We provide them with an excellent education and people living here should benefit from that education. The Minister needs to take that on board and I ask the Leader to take it up with him at the earliest possible date to resolve the issue in the case of the nurses.

Senator Paul Daly: I congratulate the Cathaoirleach and Eileen on their recent nuptials and wish them many years of health, happiness and prosperity together.

An Cathaoirleach: I am not sure that is appropriate to the Order of Business, but I take it in good faith.

Senator Paul Daly: The crisis in farming is far-reaching, as indicated by the fact that at least three Senators have already raised the issue. All sectors of the agriculture industry are in a deepening crisis. When the country was in an economic crisis, the agriculture sector came to the rescue. It is the foundation stone on which the economic structure of the country has been built. The family farm is a thing of the past. Unless serious action is taken, it will not survive and it will not be viable for a farmer to raise a family with any quality of life on the farm. Farmers have to take on the top-heavy consumer markets daily. The problems of the grain sector have been compounded by inclement weather and in the horticulture sector 80% of mushrooms

are exported to the United Kingdom. The mushroom business is taking an enormous hit because of the Brexit vote. It is imperative that the Minister for Agriculture, Food and the Marine come to the House for a full, open and frank debate on the actions that can be taken to help the farmers in crisis and to provide some hope for those who may not be in crisis now but expect it around the next corner because of the way the business is going. It is a matter of priority that the Minister come to the House and we have such a debate. Action has to be taken in the budget. It seems to be the norm as we approach the budget that kites are flown.

Senator Trevor Ó Clochartaigh: Fianna Fáil kites.

Senator Paul Daly: There is one flying to suggest there will be a hike in the cost of agricultural diesel. If there is any truth in it, the kite needs to be reeled in immediately. We are looking for aid, assistance and support for a sector which is on its knees. The largest bill on any farm, irrespective of the mode of farming, is that for diesel. If in the budget we hike the biggest bill, we will defeat whatever other actions may be taken as a token of support. We cannot give with one hand and take away with the other. I plead with the Minister to reel in that kite before the budget is decided in order that the farming community will not be hit with a hike in the cost of agricultural diesel.

Senator Frank Feighan: Even though I should not do so, I will respond to Senator Terry Leyden's assertion that I should be ashamed of myself with regard to Roscommon University Hospital. I do not like to attack parties, but I have to say the Senator is absolutely right when he says Fianna Fáil spent over €7 million putting in an emergency department.

An Cathaoirleach: I am sure the Senator could convey that information to him privately.

Senator Frank Feighan: It was a little like the film "Blazing Saddles" - they put in a facade but nothing inside.

Senator Terry Leyden: Rubbish. Absolute lies.

Senator Frank Feighan: I am so happy I ensured dozens of lives were saved with the air ambulance. The endoscopy unit at the hospital was opened two weeks ago. Over 300 people are employed full time at the hospital. Senators do not need to take my word for it; they can call down to Roscommon and talk to the consultants and the management personnel who will say the hospital is much safer, that people are much safer and that dozens of lives have been saved. I ask anybody who would challenge this to come down.

Senator Terry Leyden: The Senator voted for the closure.

Senator David Norris: He is a man of principle.

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

Senator Frank Feighan: I am sick and tired of people standing up for the past five years to bring the name of Roscommon University Hospital through the mill. It is much safer and much busier now.

Senator Terry Leyden: Not if you are dead.

Senator Frank Feighan: I am happy to make that statement again. I join-----

Senator Terry Leyden: People have died as a result of the emergency department being

closed.

Senator Frank Feighan: The Senator and I both know that not one person has died because of the closure of the emergency department at Roscommon Univeristy Hospital.

Senator Terry Leyden: I can name them.

Senator Frank Feighan: I invite the Senator to come up with the names. Nobody has died.

Senator Terry Leyden: I can name a lady-----

Senator Frank Feighan: I can give the names of dozens of people whose lives have been saved.

Senator Terry Leyden: At the Abbey Hotel-----

Senator Frank Feighan: The Senator should withdraw what he has said.

Senator Terry Leyden: She bled to death.

Senator Frank Feighan: The Senator should withdraw it.

An Cathaoirleach: I ask the Senator to respect the Chair.

Senator Frank Feighan: Senator Terry Leyden is absolutely wrong.

An Cathaoirleach: Will the Senator respect the Chair or I will ask him to sit down now?

Senator Terry Leyden: I will name names. She bled to death near the Abbey Hotel.

An Cathaoirleach: Ciúnas, Senator.

Senator Frank Feighan: We have heard no names. Not one person has died in the past five years because the emergency department at Roscommon University Hospital has been closed. Dozens of lives have been saved.

An Cathaoirleach: I ask the Senator to respect the Chair.

Senator Frank Feighan: Shame on Senator Terry Leyden once again.

Senator Terry Leyden: If she had been-----

Senator Frank Feighan: The Senator is long enough in this place to know better.

Senator Terry Leyden: She bled-----

Senator Frank Feighan: Shame on the Senator.

Senator David Norris: Senator Trump.

Senator Frank Feighan: Senator Terry Leyden is an absolute disgrace. He should withdraw what he said.

Senator Terry Leyden: She bled to death.

Senator Frank Feighan: Just withdraw it.

An Cathaoirleach: I ask the Senators to respect the Chair.

Senator Frank Feighan: I am not going to stand and listen to lies being told in this Chamber.

Senator Terry Leyden: The Senator knows that if the emergency department had been open, she would not have bled to death.

An Cathaoirleach: That goose is cooked.

Senator Frank Feighan: Senator Terry Leyden should withdraw what he said.

Senator Terry Leyden: That is the point.

Senator Frank Feighan: Fianna Fáil could not put the emergency department back together again.

An Cathaoirleach: I ask the Senator to resume his seat.

Senator Frank Feighan: I will leave because I will not be a party to the lies of Senator Terry Leyden who should know better.

Senator Grace O'Sullivan: Hear, hear.

An Cathaoirleach: I call Senator Paddy Burke.

Senator Frank Feighan: I want to finish by saying-----

An Cathaoirleach: No, I have called Senator Paddy Burke.

Senator David Norris: As Senator Frank Feighan was interrupted, he should be allowed to continue.

An Cathaoirleach: As Senators Terry Leyden and Frank Feighan have used almost four minutes, they can continue their discussion in Roscommon.

Senator Paddy Burke: I ask the Leader to invite the Minister for Arts, Heritage, Regional, Rural and Gaeltacht Affairs to come to the House for a debate on hedge cutting. There have been more fatalities on the roads this year than in other years. The Minister should consider bringing forward the date on which hedge cutting can commence from the current date in September.

Senator David Norris: What about the rare birds?

Senator Paddy Burke: I think it should be brought forward to August. Children now go back to school in August, which is earlier than they used to go back. This year there was much more rapid growth in August than in other years. I think the Minister has to look at this from a road safety point of view. There is a need for better co-ordination between local authorities and the ESB and the telecommunications utilities that engage in hedge cutting. The Minister should come to the House with a view to moving the date on which hedge cutting works can start to earlier in the year.

Senator Joe O'Reilly: I raise with the Leader the very serious matter of car insurance and the huge increase in cost during the past year. It has increased by approximately 40%, on

average. This is extraordinarily difficult for so many throughout the country. In places that do not have trains and buses - large chunks of Ireland - it is a tax on work. It makes it almost impossible for young people and people generally to get to work in these areas. It has become a real difficulty and is a real issue for so many families. It could represent hundreds of euro in increases and is not sustainable. The issue needs immediate action. I am aware of the fact and it is welcome that the Minister of State at the Department of Finance, Deputy Eoghan Murphy, is chairing a working group on car insurance to look at solutions. I understand the group will report quickly. I put it to the Leader that we need action on and a debate on the issue. We need a series of actions across a number of Departments. They must happen in the coming months since most car insurance renewals begin in January and the spring. The issue needs resolution in the short term. A range of areas need to be looked at, including the nature of claims. A complete package of measures needs to be looked at. All I am saying is it is an extraordinary hardship and a tax on work. It is very unfair and affects many drivers. A person was talking to me this morning who had an absolutely clean record, yet their insurance premium had gone up by something like €700. The person in question has no record of accidents or malpractice. It is a serious matter. It is probably one of the greatest difficulties confronting ordinary people in trying to go about normal business. I am not talking about leisure driving but about people who are trying to get to work. I hope we can have action and a debate on the matter.

An Cathaoirleach: I thank the Senator.

Senator Jerry Buttimer: I thank Senator Martin Conway for raising the very poignant case of Caitríona Lucas. Everyone in the House was shocked by her death. As Senator Martin Conway rightly said, she died heroically in the line of duty while on a search and rescue mission to bring a person back to safety. As we resume our deliberations and work, it is appropriate that we pay tribute to the memory and life of Caitríona Lucas and, more importantly, that we remember her for her heroic endeavour and bravery. We commend her and in so doing remember her husband, Brendan; her son, Ben, and her daughter, Emma. To the extended families, we send our deepest sympathy. We also think of her colleagues in the Doolin Irish Coast Guard unit. To all the men and women who work in the Irish Coast Guard, we express our thanks and gratitude. We have seen the television reports, the pictures and the imagery. It is easy to watch television in the luxury of one's front room but putting ourselves in their lives and their way is another matter. I call on Members to stand and in so doing call on them to remember the life of Shimon Peres, whom Senator David Norris mentioned and a man who brought and worked for peace. It is important that we stand at the beginning to pause for a minute's silence to commemorate, remember and say "Thank you" for the life of Caitríona Lucas.

An Cathaoirleach: I suggest we do that at the end of the Order of Business.

Senator Jerry Buttimer: That is okay and I will be happy to do so.

Senator Trevor Ó Clochartaigh: On a point of order, it would be appropriate to separate the two because people might have different thoughts about them.

Senator Jerry Buttimer: That is fine.

During the summer recess Senator Tim Lombard and his wife, Catherine, had the pleasure of having two boys born to them, John and Denis. I congratulate the Senator and his wife on the heroic endeavour on his part. I imagine his sleepless nights have started. We commend him and his wife.

It would be remiss of me, as Leader, if I did not follow Senator Paul Daly's remarks by congratulating the Cathaoirleach and his good wife, Eileen, on their recent marriage. We wish them well. By all accounts, Kinsale survived and is coming back to life after the nuptials.

Senator Catherine Ardagh raised the important issue of DEIS schools, but before I discuss it, I formally welcome everyone on his or her return. Senators have been back at work long before today, but I wish them a productive and fruitful term until Christmas. I hope that in the era of new politics we can all come together to ensure the interests of the people rather than vested interests will be served in the House.

Senator Catherine Ardagh was right about there being a review under way of the selection method for DEIS schools. I am informed that it will be published by the end of the year and that a new action plan for disadvantaged schools will ensue. I join the Senator in expressing the hope there will be an increase in opportunities to participate in education, as well as more positive outcomes for children living in disadvantaged areas. A school in my area has become so successful that it has fallen out of the DEIS band. In that light, it is important to take note of the Senator's remarks in the review. The Minister for Education and Skills, Deputy Richard Bruton, will be in the House in the coming weeks to discuss education matters and I hope he will refer to this issue as part of the deliberations.

Senator Gerard P. Craughwell raised the issue of the retirement age in general and specifically the case of Dr. Brendan Murphy of Cork Institute of Technology, CIT. It is my understanding Dr. Murphy received a five-year contract in 2014 and that CIT and the Department of Education and Skills are in dialogue about it which I am sure will lead to the best outcome for CIT. As the Senator knows, the technological university status Bill is being returned to the Seanad. It is important that we reflect on the best outcome for CIT. I am informed that there has been consultation on the specific issue involved.

Senators Máire Devine and Colm Burke raised the important question of nursing and referred to the importance to recruitment of changing different pay rates, as happened in the education sector. I agree with Senator Colm Burke on the cost of agency staff and the need to move away from their use in order that more nurses can be recruited and retained in the health sector. I agree that there is a need for the position to be clarified. The Minister for Health has been involved and I have spoken to him. Senator Colm Burke and I attended a meeting with him in Cork on Monday at which we heard that nurse retention rates in hospitals were increasing. That is welcome, but things cannot be taken for granted. I agree with the Senator that the two-tier pay system must be brought to an end. I will work with him and other Senators to achieve that objective.

Senators Colette Kelleher and Trevor Ó Clochartaigh referred to the report published on Traveller accommodation. The serious threat to life posed by fire and other safety risks to members of the Traveller community is one we cannot take lightly. The relevant Minister and Department must reflect on the report. The local authorities must also consider it in the context of their housing plans and Traveller accommodation committees and work with the Traveller community to ensure that, at a minimum, there is access and egress. There must also be fire blankets available and proper adherence to health and safety measures at halting sites in ensuring accommodation needs are met. I will invite the Minister to attend the House to discuss the issue.

In a wide-ranging contribution Senator Ivana Bacik mentioned education. I commend Trin-

ity College Dublin for its initiative and assure the Senator that the Minister for Education and Skills, Deputy Richard Bruton, will attend the House in the next two weeks to discuss education issues.

The Minister for Foreign Affairs and Trade will attend the House in the coming weeks to attend our debate on Brexit. Perhaps we might also discuss the situation in Syria and the important issues raised by the Senator, not least of which was the saving of lives. I commend our Naval Service personnel who have been proactive in saving lives in the Mediterranean Sea. Those of us who follow the matter closely know that there will be a homecoming this Friday. At a time when the matter has been tied with Brexit and the European Union's response, it is important that we keep up our efforts in debates.

Senator Ivana Bacik also referred to the repeal of the eighth amendment. As she knows, the Citizens' Assembly is due to commence its deliberations in October and the eighth amendment will be the signature item at the beginning. Like her, I would have preferred the re-establishment of the Constitutional Convention model, but I understand the need of the Taoiseach to have a citizens' assembly. I appeal to those taking part in the debate on the eighth amendment to understand language matters. That is to paraphrase what came from the debate in New York this week. In this Chamber and at a previous health committee there were discussions on the protection of life during pregnancy legislation. It is important that we hear from all sides of the debate. I ask those who deride the idea of a citizens' assembly to reflect on the importance of what is being convened. Citizens are informed and although they may not be parliamentarians or invested in politics, they will be versed in knowledge and be able to do their work. They will come back with a set of proposals. The Taoiseach is right that this issue is not black and white. We must take the debate beyond the prism of the usual suspects who are discussing the issue in the media. We must allow the "gnáth duine", the man and woman who will ultimately make the decision, to have their say and be participants in the debate. I hope the Citizens' Assembly will be given the support it needs from a resources perspective and, equally, by us, as parliamentarians, the body politic and the country's citizens. It will do the State a service. As such, we should allow it to do its work.

I agree with Senator Martin Conway that we must have a debate on the role of the Irish Coast Guard. I will be happy to facilitate his request.

Senator Jennifer Murnane O'Connor raised the issue of the funding of local government and referred to the importance of the Government being able to support it. She argued that, equally, local authorities should be able to bring forward mechanisms to support themselves. I know that the Local Authorities Members Association is meeting on Friday in Bantry and that many Members of the House will be present. The importance of this issue will be seen by the Minister in the coming weeks and months when he discusses the many elements under the local authorities' umbrella. I will be happy to have him come to the House to discuss the matter.

I join Senator John O'Mahony in congratulating our Olympians and Paralympians on the joy they gave us during the summer. Sport is a great unifier and the success of our Olympians and Paralympians - I will not name all of them - was uplifting and gave us a sense of importance and who we were. We saw this at the homecoming in the warmth of the reception given to the athletes. The bigger issue raised by the Senator was the importance of the governance of sport and sports bodies. Perhaps we might come back to that piece of work in our consultations as the issue of how sport is governed should be addressed. There is also the matter of how the governance of sport complies with different directives. Under Mr. John Treacy the Irish Sports

Council is doing a lot work in that regard and I know that Mr. Kieran Mulvey has again moved into a different role. We will come back to the issue.

Senator Trevor Ó Clochartaigh joined Senator Collette Kelleher in raising the issue of Traveller accommodation. He also mentioned rural affairs, the Gaeltacht and the diaspora. The relevant Minister of State, Deputy Seán Kyne, has committed to come to the Seanad. He has asked, however, that we wait until the strategy is completed and published before he speaks to us about the Irish language. The other Ministers of State, Deputies Joe McHugh and Michael Ring, have also committed to come before us to speak about rural affairs and the diaspora.

Senator Trevor Ó Clochartaigh also mentioned water services. The most important point is that both Sinn Féin and Fianna Fail have changed positions on multiple occasions on the issue.

Senator Trevor Ó Clochartaigh: Not at all.

Senator Jerry Buttimer: A commission has been established and we should all make a submission to it. I would be happy to have a debate on the issue after the submissions had been made. It is important to allow the commission to do its work and I will not be found wanting in any way in having a debate on the issue. I will be very happy to hear how the Senator's party will propose to impose more taxes on the people, as articulated on radio this morning by Deputy Eoin Ó Broin.

Senator Trevor Ó Clochartaigh: Absolutely. Water services must be funded properly and in a progressive manner.

Senator Jerry Buttimer: I will be very happy to have that debate as the Senator's party has flip-flopped on many issues.

Senator Trevor Ó Clochartaigh: We have not. The Leader is wrong.

Senator Jerry Buttimer: It has done it again on the issue of water services and I look forward to having that debate.

Senator Trevor Ó Clochartaigh: The Leader is absolutely wrong. He should check the facts.

Senator Jerry Buttimer: The issue of agriculture has correctly dominated this afternoon's proceedings. I thank Senators Maura Hopkins, Tim Lombard, Maria Byrne, Kieran O'Donnell and Paul Daly for highlighting the importance of agriculture to the nation. The Minister, Deputy Michael Creed, is convening a meeting of stakeholders on 6 October with a view to considering all of the options. As Senator Tim Lombard rightly said, it is an issue that affects all farmers, in particular grain farmers, from County Cork to County Donegal. I hope we will see some package being given to the farming community. The Commissioner, Mr. Hogan, is acutely aware of the issue and I know from speaking to him that he has been spoken to by many Members of the Oireachtas. As Senator Tim Lombard rightly said, this is about the volume and quality of the crop produced and the poor weather conditions. I think we all join him and the other Senators who have raised the issue. Aid should come from the European Union urgently.

Senator Paul Daly rightly made reference to the high cost of diesel and the need to recognise it in the budget. He is right when he states there is a crisis and a need to address the issue.

The farm is not as it was, a fact of which the Minister, Deputy Michael Creed, is acutely

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aware. Senator Kieran O'Donnell rightly referred to the cost being paid to the farmer for the food being produced. We need to see that issue being tackled. When we see some supermarkets being able to sell vegetables for 9 cent or offer meat or other produce at prices way below what one would expect to pay, I agree that it poses a question.

Like Senator Frank Feighan, Senator Terry Leyden also referred to Roscommon University Hospital. On the case of the two year old child, it is important that the Senator give any information he has to the Minister, the HSE and the hospital authorities in order that they address the issue. It is important that he does not play politics with people's lives and does not scare-monger-----

Senator Terry Leyden: Yesterday-----

Senator Jerry Buttimer: I am being fair.

Senator Terry Leyden: I am being fair, too.

Senator Jerry Buttimer: Senator Rose Conway-Walsh raised an issue in connection with a hospital in Galway, but she did not do so in the same manner as Senator Terry Leyden. It behoves him, as a senior parliamentarian-----

Senator Terry Leyden: I am sorry-----

Senator Jerry Buttimer: I did not interrupt the Senator. He is an experienced parliamentarian and long enough around here to know that there is a way by which one deals with issues and advocates for and represents constituents and others. I do not think coming into the Chamber and trying to provoke a fight or a row is the way to do it.

Senator Terry Leyden: In fairness, I have already communicated with the Minister and the HSE.

An Cathaoirleach: Please allow the Leader to continue.

Senator Terry Leyden: I was provoked by Senator Frank Feighan.

Senator Jerry Buttimer: Actually he did not provoke the Senator. The Senator provoked him.

Senator David Norris: As Senator Frank Feighan spoke after Senator Terry Leyden, how could he have provoked him? Nincompoop.

Senator Jerry Buttimer: As Members will know, as Leader of the House-----

Senator Kieran O'Donnell: A Chathaoirligh-----

An Cathaoirleach: The less said, the better.

Senator Kieran O'Donnell: The Cathaoirleach is in good form.

Senator Jerry Buttimer: Members know that if issues are raised with me as Leader of the House, I will make representations to the line Minister on their behalf. I may not always get a result, but I do make representations. If Senator Terry Leyden has information, I will be happy to go to the Minister for Health on his behalf on the matter.

Senator Terry Leyden: He is already informed.

Senator Jerry Buttimer: Senator Ray Butler raised the important issue of quarries. It is important that we allow local authorities to be involved. However, the Minister with responsibility for the matter, Deputy Simon Coveney, should also be involved.

Senator Rose Conway-Walsh raised the case of a person in University Hospital Galway. I will be happy to raise the issue with the Minister for Health.

The Senator also referred to Apple. We will debate that issue next week in the House.

On NAMA, there is a commission of inquiry under way and there will also be a debate at the Committee of Public Accounts.

The Senator is also right that the crisis in the health service did not just start with the click of a switch. It continued under the watch of some of the Members opposite. When I hear Deputy Micheál Martin speak about the need for fairness in Irish society, I wonder where he was for 14 years when he was leading various Departments, but I will not open a political debate on that issue today.

Senator Trevor Ó Clochartaigh: Fine Gael has had five years in which to fix it.

Senator Rose Conway-Walsh: Will the Minister for Health attend the House to discuss the issue?

Senator Jerry Buttimer: I have asked him to come to the House and he has given a commitment to do so.

I commend the Green Party for its proposed legislation dealing with microbeads. I heard the Minister discuss the issue today on “Morning Ireland”. There is a knock-on effect, about which we need to have a conversation.

I have dealt with the issues raised by Senator David Norris.

Senator Michelle Mulherin raised the important issues of renewable energy and energy efficiency. The Minister, Deputy Denis Naughten, has been in the House and will return to it.

I join Senator Lorraine Clifford-Lee in highlighting the need to discuss a comprehensive suite of measures to deal, in so far as we can, with the high cost of child care. I welcome her to Fine Gael’s position on the squeezed middle and thank her for joining us. She is right to raise the issue. There is a group of people who pay for everything and believe they get nothing in return. They are looking to all of us-----

Senator Lorraine Clifford-Lee: What is the Minister going to do about it?

Senator Jerry Buttimer: I will come to that question. They are looking to all of us to give them some hope in terms of cost reduction and value for money. This poses the issue of who should pay and benefit from the next budget. I look forward to the Minister coming to the House, I hope before or definitely after the budget, to discuss the very important issue of the cost of child care. The Minister for Finance, Deputy Michael Noonan, and the Minister of State, Deputy Eoghan Murphy, will be in the House during the next few weeks. We also had a pre-budget discussion before the recess. The Senator can raise the issue as part of the discussion with the Minister and the Minister of State. She is correct. As Members of this legislative as-

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sembly, we must make every effort to ensure the squeezed middle will be looked after in some shape or form.

Senator Tim Lombard is correct about the grain industry.

Senator Niall Ó Donnghaile referred to north Belfast. I join him and all others in commending the two mediators involved in the resolution of the parades issue. It is important that we all, no matter what our political ideology is, continue to work to bring together both sides in the North. We can see some normality returning in the resolution of the parades issue, for which I commend all involved. I agree with the Senator that it can be transformative and benefit the lives of people in both communities.

Senator Maria Byrne raised the important issue of the 9% VAT rate. In the post-Brexit era it is important that the tourism sector continue to receive a break in order that we can attract visitors from across the world to come to the country. We welcome the increase in passenger numbers at the airports. It behoves me, therefore, as Leader, to repeat the view I expressed here that when hotels in the capital city and across the country increase their rates, it sends the wrong message and defeats the purpose of the 9% rate which was to attract tourists. The Restaurants Association of Ireland is meeting today across the road. It has worked to ensure prices will be kept down by offering a variety of menus. I hope those involved in the hotel sector will continue to work with all of us to keep prices down. If hotels raise their prices, different competitors will enter the market. It behoves all of us, therefore, to ensure this will be the Ireland of welcomes by ensuring prices will be kept down rather than increased.

Senator Robbie Gallagher referred to Brexit. During the coming weeks we will have a series of debates on the issue in which Senators will have an opportunity to discuss it with the Minister for Foreign Affairs and Trade, the Minister for Jobs, Enterprise and Innovation and other Ministers. I join the Senator in commending the Ceann Comhairle for holding the symposium on Brexit in the Mansion House last week. It was a very worthwhile and informative event.

I thank Senator Colm Burke for commending those who work in the health service. Ireland is 13th on the table he mentioned. It is important that we continue to invest in health services and try to recruit staff across the various sectors to have people stay in the country and work in the health service.

I join Senator Paul Daly in hoping Ministers and Opposition Members will stop flying kites to frighten people about what will be included in the upcoming budget. The Minister for Finance has said it will not be a giveaway budget, but listening to the Opposition, if one was to include everything that has been proposed, one could fill every stadium in the world. In reality, we have €1 billion at our disposal and a tax and spending ratio of 2:1 has been agreed. If we were all to enter the world of reality rather than the world of make believe, we would do our constituents and those we represent a better service.

I agree with Senator Frank Feighan that Roscommon County Hospital is very strong and progressive and one in which there is much activity taking place.

Senator Paddy Burke raised the issue of hedge cutting. From the limited information I possess, the local county engineer has the power to cut hedges to make roads safe. The Senator is correct. There has been an increase in the number of fatalities on the roads. There is, therefore, a need for better co-ordination between local authorities, Transport Ireland and utilities in

how they do their work in the cutting of hedges in rural Ireland. I will be happy to refer to the relevant Department the matter of whether the hedge cutting date should be brought forward.

Senator Joe O'Reilly raised the important issue of the cost of car insurance and referenced an increase of 40% in premiums in some cases. He is dead right that it is an attack on work. The increase is penal for young people, many of whom cannot afford the cost of insurance.

5 o'clock

The Minister of State, Deputy Eoghan Murphy, is chairing a cross-departmental committee which is dealing with the matter, on which the Chairman of the Oireachtas Joint Committee on Finance, Public Expenditure and Reform, and Taoiseach, Deputy John McGuinness, has held hearings. It is important we continue to be mindful of the fact that it is an important issue for many.

An Cathaoirleach: Before concluding the Order of Business, I wish to be associated with the words of sympathy on the loss of the Irish Coast Guard volunteer, Caitríona Lucas. As someone who comes from a coastal community and was born on a peninsula, I am acutely aware of the tremendous work done by the Irish Coast Guard, lifeboat, inshore, cliff and other rescue services. It is unfortunate that they are called on way too often. I ask the House to observe a minute's silence in memory of the late Caitríona Lucas.

Members rose.

Order of Business agreed to.

Finance (Certain European Union and Intergovernmental Obligations) Bill 2016: Second Stage

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

Minister of State at the Department of Finance (Deputy Eoghan Murphy): I am pleased to present the Finance (Certain European Union and Intergovernmental Obligations) Bill to the House. It should be noted that the Bill is very much of a technical nature, designed primarily to address an international obligation arising from the banking union agenda and to allow Ireland fulfil its obligations under the criminal sanctions for market abuse directive.

The basis for the Bill is the requirement to put in place bridge-financing arrangements to the Single Resolution Fund. This was triggered by the statement of 18 December 2013, adopted by Eurogroup and ECOFIN Ministers on the funding of the Single Resolution Board. It required, particularly in the early years, that member states participating in the Single Resolution Mechanism to put in place a system by which bridge-financing would be available as a last resort and in full compliance with state aid rules. It was also stated such arrangements should be in place by the time the Single Resolution Fund became operational.

The Single Resolution Fund is the financing element of the Single Resolution Mechanism, designed to provide, within a banking union context, a centralised resolution system which will be applied in a uniform fashion across all participating member states. The Single Resolution Mechanism is the second pillar of the banking union and will ensure that if a bank subject to the Single Supervisory Mechanism was to face serious difficulties, its resolution could be man-

aged efficiently with minimal costs to taxpayers and the real economy through the application of resolution tools such as bail-in and the use of the Single Resolution Fund, financed by the banking sector.

The target level for the Single Resolution Fund is at least 1% of the amount of covered deposits of all credit institutions authorised in all the participating member states, which is to be reached at the end of eight years. This is estimated to be approximately €55 billion. During the transition period to full mutualisation, the fund will operate through national compartments into which member states will transfer the contributions collected from their banking sectors. In practice what this means is that should a bank be put into resolution and the bail-in which involves the write-down of a minimum of 8% of the bank's equity, capital instruments and eligible liabilities, proves insufficient to cover the losses, the next step will be the provision of funding from the national compartment of the affected member state. If there are still losses to be absorbed after this step, funds are then obtained from the mutualised elements of other national compartments. There is also the option for the Single Resolution Board to borrow from the market to cover losses.

Depending on the scale and circumstances, however, this may not always be possible. As a result, the Single Resolution Board may find itself in a situation, especially in the early years, where there are still losses to be absorbed after the bail-in process has been completed and the resolution waterfall process has been exhausted. In such a situation, it will require an alternative source of financing. It has been agreed by the Council of EU Finance Ministers that this should take the form of national credit lines. Most member states have either already put national credit lines in place or are about to do so, as there was a commitment following European Finance Ministers' agreement on the approach last December that this needed to be in place by 1 January 2016. This was an ambitious target but the European Council conclusions on a roadmap to complete the banking union, published in June 2016, noted that all remaining member states were committed to signing the loan facility agreement by the end of September 2016. Accordingly, it is crucial we progress the Bill as quickly as possible to enable Ireland to meet its banking union obligations.

The consequence of not signing the loan agreement with the board is that should an Irish bank get into financial trouble before the enactment of this legislation, the funding available to the Single Resolution Fund will come from the small amount in the Irish national compartment - €173 million - which was transferred from the national resolution fund for 2015 and 2016, with the mutualised elements of the other national compartments, also only a small amount, and any borrowing the Single Resolution Board can carry out. However, if this were to prove insufficient, there would be no fall-back source of financing from the Single Resolution Board as the national credit line would not be put in place. It is important to point out that the banks are currently in good health. I believe the likelihood of this loan facility agreement ever being called upon is minimal. However, the provision of this national backstop for the Single Resolution Board is key from a confidence perspective as it provides another indication for the market that the banking union member states are serious about ensuring stability in their banking sectors.

The loan facility agreement is an individual agreement between each participating member state and the Single Resolution Board on the credit line they commit to provide for it where the need for bridge-financing arises. The terms and conditions of each agreement are, broadly speaking, identical, aside from the amount to be requested from each member state. The loan facility agreement provides that the maximum aggregate to be provided by all member states is €55 billion. To determine the share of each participating member state, it was agreed to use

the relative size of each member state's compartment in the Single Resolution Fund using the estimate of the European Commission as of 27 November 2014. This constitutes the allocation key between participating member states for determining their respective credit lines.

Senator Denis Landy: On a point of order, may we have a copy of the Minister of State's speech?

Acting Chairman (Senator Gerard P. Craughwell): I have just checked and the Minister of State does not necessarily have to provide a copy.

Senator Denis Landy: I know that he does not. I am asking for permission for him to give us a copy.

Senator Kieran O'Donnell: Could the officials photocopy three or four copies of the speech?

Deputy Eoghan Murphy: I apologise as a copy should have been provided.

Acting Chairman (Senator Gerard P. Craughwell): We will have copies made.

Senator Denis Landy: I thank the Minister of State.

Deputy Eoghan Murphy: In that regard, it should be noted that Ireland's key is 3.3% of the €55 billion which equates to €1.815 billion. During the negotiation of the loan facility agreement, two issues emerged, namely, whether it should be possible to pay a credit line in tranches than all at once and whether national approval was required to pay a credit line to the Single Resolution Board. If member states were willing to forgo flexibility on these two points, the board would pay an annual fee of 0.1% of its credit line. In the case of Ireland, this fee, otherwise known as a commitment fee, would equal €1.8 million per annum. The Minister for Finance consulted the NTMA on this point and it advised that the flexibility allowing the State to pay the loan in tranches over a 19-day period, except in exceptional circumstances, was worth the forgoing of the commitment fee. In addition, the credit line will require national approval, which will ensure there is appropriate national oversight.

The Bill also provides for amendment of the Companies Act 2014. These amendments are required owing to the need to transpose the European market abuse regulations and the market abuse directive into Irish law. On legal advice, the Minister for Finance introduced an amendment to the Companies Act 2014 on Committee Stage of the Bill to refer explicitly to the new European market abuse regime in section 1,365 of that Act. This will ensure the continuation of the existing offences and high-level penalties - on indictment, of up to €10 million in fines - or up to ten years' imprisonment, or both, for insider trading and market manipulation.

I will now give a more detailed overview of the main provisions of the Bill. The Bill is short, consisting of ten sections, and captures the key points of the loan facility agreement between the State and the Single Resolution Board. Section 2 provides that the Minister for Finance can perform any functions necessary for the purpose of the State's performing its functions under the loan facility agreement.

Section 3 provides that any decision to amend the terms of the loan facility agreement shall be laid before each House of the Oireachtas. If a resolution annulling the amendment is passed by either House within 21 days on which the House has sat, the amendment shall be annulled accordingly and without prejudice to the validity of anything previously done thereunder.

Section 4 makes clear that the sum specified in the loan facility agreement cannot be altered without the prior approval of both Houses of the Oireachtas. Section 5 sets out the circumstances where the Exchequer may make a payment of money to the Single Resolution Board. Section 6 sets out the legal basis for facilitating a payment by the Single Resolution Board to the State. Section 7 requires the Minister for Finance to provide a report for the Dáil with information on the value of loans and repayments made. If a payment of a sum under section 4 is made to the Single Resolution Board, a statement of the amount payable must be laid before the Dáil within one month of the date of the payment.

As previously outlined, section 8 amends the Companies Act 2014 to refer explicitly to the new European market abuse regime in section 1,365 of that Act. This will ensure the continuation of the existing offences and high-level penalties for insider trading and market manipulation.

Section 9 enables expenses incurred by the Minister for Finance regarding the Bill to be covered by moneys provided by the Houses of the Oireachtas.

I will now outline the main paragraphs of the terms of the loan facility agreement, which is the Schedule to the Bill. Paragraph 2 states the maximum amount of the loan is €1.815 billion and the purpose for which the loan may be used. Paragraphs 4 and 5 set out how the Single Resolution Board must apply for the loan, the details of the loan, the timeframe for the lender to respond and the making of the loan.

Paragraph 6 sets out the conditions around repayment of the loan and that, in circumstances where not enough *ex post* contributions have been made to repay the loan in two years, the loan may be extended by one year. Paragraph 7 sets out the conditions on the prepayment of a loan. Paragraph 8 sets the conditions for the setting of the interest rate on the loan.

Paragraph 9 states no commitment fee shall be payable by the Single Resolution Board to the State. As I stated, the Minister for Finance chose to forgo a commitment fee of 0.1%, or €1.8 million, per annum in return for greater flexibility, after consultation with the NTMA. In return for forgoing the commitment fee, the credit line will require national approval rather than being automatic. It also has the benefit that the State can pay the loan amount in tranches over a 19-day period, bar in exceptional circumstances where the Single Resolution Board needs to avert the immediate default of an entity under resolution and would require more than 50% of the loan facility agreement.

Paragraph 11 describes the information-sharing requirements and sets out that the State should inform the Single Resolution Board if any event occurs that may prevent it from fulfilling its obligations under this agreement. It also allows the State, the Single Resolution Board, the European Commission and the European Stability Mechanism to exchange information relevant to this agreement where the State has requested or received stability support.

Paragraph 12 contains a provision that national approval must be sought by the State within three days of a pre-notification request from the Single Resolution Board and outlines a number of procedural items in regard to the operation of the agreement.

Paragraphs 14 to 18, inclusive, set out various technical provisions such as payment mechanics, confidentiality agreements, interest calculations and disclosure requirements. Paragraph 19 sets out how the State may pledge security for the European Stability Mechanism in the event that the State enters stability support.

I re-emphasise the importance of the early passage of the Bill to enable the implementation of significant parts of the EU banking union legislative agenda. It will also ensure Ireland meets its banking union obligations as agreed with other member states involved in banking union. In addition, the amendment to the Companies Act will ensure Ireland will maintain a robust regime against market abuse, with high levels of penalties, both in fines and custodial terms. I commend the Bill to the House.

Senator Kieran O'Donnell: I wish to make a point of order, which I do not do very often. Henceforth, could the Seanad Office contact Ministers appearing before us to ensure we will have copies of their scripts? What is occurring now is unfair to the Minister of State and Members. I would prefer to read a document in real time. I do not particularly want to play catch-up with a document. I wish to assimilate the information as the Minister of State is reading. One might state Ministers are not required to provide scripts, but, as a matter of good practice, the House should seek them.

Senator Denis Landy: On a point of order in support of what is being said, if there is a requirement to change a Standing Order, we should bring it forward. What is occurring is most unfair on all of us. We want to make a proper contribution in the House. What the Senator is proposing makes common sense.

Acting Chairman (Senator Gerard P. Craughwell): The Seanad Office will take note of it. I agree with everything that has been said.

Senator Gerry Horkan: On that same point, I appreciate that circumstances change and that a Minister's speech might not be ready until very soon before he or she comes into the Chamber, but, ideally, I would like to see it. If the script was ready yesterday, I would love to have seen it then to assimilate and process it. It would have allowed us to amend our speeches accordingly and not be repetitive about what the Minister of State said. We could address the points made. Ideally, I would prefer to get a copy of a script in advance, if possible. I am not saying it is always possible, but if it is, it would be better.

Deputy Eoghan Murphy: I completely agree with the points raised. The speech was ready in advance because we completed the legislation in the Dáil prior to the recess and nothing has changed since. I apologise for the fact that it was not sent to Members in advance. It is a technical Bill and it would be helpful to put the technicalities of the argument in front of Senators when making their contributions.

Acting Chairman (Senator Gerard P. Craughwell): We will take a note of it and the matter will be dealt with.

Senator Gerry Horkan: I apologise to the House as I seem to have half lost my voice. It is half back but not properly back. That may reduce the length of my contribution.

Senator Kieran O'Donnell: The Senator will have to cancel his appearance on "The X Factor".

Senator Gerry Horkan: If I had an appearance to cancel, I would cancel it.

Fianna Fáil supports the Single Resolution Board (Loan Facility Agreement) Bill 2016 which is very technical legislation to put in place a bridge-financing mechanism in the form of national credit lines that would be available as a last resort for the Single Resolution Fund in

the event of a large bank resolution before the full size of the fund is reached. It is as much an interim measure as anything else. While the Single Resolution Mechanism, SRM, may prevent a recurrence of the events of 2008 to 2011, inclusive, when huge bank losses were effectively heaped on the taxpayer as a result of the insistence of the ECB, there is still the outstanding issue of who will ultimately bear the cost of the last banking collapse. The EU deal of June 2012 has not delivered for Ireland as of yet. The Government must take the message back to the European Union that everything is not fine in Ireland that we need a deal on our bank debt that can ultimately be felt in the pockets of ordinary Irish citizens. If the European Heads of State are true to their word, they would facilitate retrospective recapitalisation of the banks. It would be an acknowledgement that Ireland had not just a practical case for relief on the bank debt but also a moral case. As the Taoiseach himself has acknowledged, the European position was imposed on us. It is now four years since that commitment was made.

The viability of the banking system could also be helped by moving loss-making tracker mortgages into a fund with a stable source of funding from the ECB. This would not affect customers but would help the banks to return to normal banking.

With regard to the Single Resolution Fund, during the euro crisis shareholders and junior bondholders did absorb losses, but senior bondholders and uninsured depositors were generally spared at the insistence of the ECB. That has changed with the bank recovery and resolution directive coming into force. Taxpayers will no longer automatically safeguard senior bonds and big deposits made by large companies.

The Single Resolution Fund to finance the restructuring of failing credit institutions was established as an essential part of the SRM. The total target size of the fund will equate to at least 1% of the covered deposits of all banks in member states, ultimately amounting to €55 billion. The United Kingdom and Sweden have opted out. The European Union has stated efforts could be initiated to foster further cross-border consolidation within the euro area. Ultimately, the euro area economy needs banks that are large and efficient enough to operate and diversify risk on a cross-border basis within a European Single Market but small enough to be resolved with the resources of the Single Resolution Fund.

On the extent of the bank debt, the total outlay of funds by the Irish Government on the banking sector was €64 billion, or approximately 40% of current GDP. About half of these outlays were financed by promissory notes that have now been converted into long-term bonds. The other half was financed with direct expenditures of public money. There are no specified public pay issues that can be directly associated with these expenditures. The Euro Area Summit Statement, issued in June 2012, pledged to examine the circumstances of the Irish financial sector with a view to “further improving the sustainability of the well-performing adjustment programme”. As of yet the Eurogroup has made no explicit statement about undertaking an examination of Ireland’s situation. In this sense, the June 2012 commitment has not been met. The truth is that while the EU agreement appeared significant on the surface at the time, it was dramatically oversold by the Government. No sooner was the ink dry on the summit *communiqué* when some of the more powerful eurozone countries were putting an entirely different spin on what was actually agreed.

The reference to specifically examining the Irish financial sector has not resulted in one cent of the €30 billion injected by Ireland to save AIB, Bank of Ireland and Permanent TSB being refunded by the European Union. The Government leaders here were in such a rush to go further than each other in welcoming the agreement that they did not secure anything in the agreement

to deliver with certainty a tangible and measurable deal to make our debt more sustainable and help Irish citizens.

Two years on, a deal on the retroactive bank recapitalisation seems as far away as ever. It is not clear exactly what we are looking for. The Minister for Finance, Deputy Michael Noonan, has refused to say whether he wants to dispose of some of the State shareholdings in the banks and the European Stability Mechanism or at what valuation. The Minister has even refused to commit to applying for a bank debt deal when the formal application process opens in November. At this stage, there is hardly a serious commentator left who believes the Government will get the deal it was in such a rush to promise two years ago.

Putting in place the arrangements for banking union is an effective prerequisite for any retroactive deal on the banking union. The fundamental principle underpinning the banking union three-pillar approach, made up of the single supervisory mechanism, the single resolution authority and the deposit guarantee scheme, is to end the taxpayer bailout of banks. The key legislation, the bank resolution and recovery directive, known as BRRD, deals with the hierarchy of creditors. It envisages losses on shareholders, unsecured creditors, including junior and senior bondholders, and potentially deposits of over €100,000. A minimum bail-in equating to 8% of total liabilities must be invoked before resolution or national funds can be used.

It is also important to remember that the Irish banks have been recapitalised. They do not need new capital from the ESM. It is the State that really needs the money. In simple terms, the Government should clarify if the State is looking to sell its stake in the banks to the ESM and whether it will be insisting that this is done at the price at which they were taken on to the books of the State rather than the current market value. In the case of AIB and the EBS, that value was €20.7 billion, for Bank of Ireland it was €4.7 billion and for Irish Life and Permanent, the figure is €4 billion. This comes to a total of €29.4 billion.

There are arguments in favour of the ESM purchasing the banks or portions of the banks. The June 2012 summit statement mentioned both the ESM recapitalisation and examining Ireland's debt sustainability within the same paragraph. While the two were not explicitly linked, it is fair to say a reasonable interpretation of the statement was that ESM recapitalisation could be used for Ireland. The sentence "Similar cases will be treated equally" in the June 2012 statement directly follows a sentence about Ireland. A reasonable interpretation of this sentence is that Ireland should not lose out because ESM recapitalisation was unavailable when the Irish banks failed. Allowing the ESM to provide funds for banks in other countries while ignoring Ireland would be incompatible with this commitment to similar treatment.

The June 2012 statement calls on the Eurogroup to examine Ireland's situation. As of yet, the Eurogroup has taken no action on this matter. The membership of the Eurogroup is effectively the same as the membership of the ESM board. Again, this points to a reasonable expectation that what was intended in June 2012 was for the ESM to approve purchases of some of the financial institutions owned by the Irish State.

While the economy is now performing well and Irish bond yields are low, there is little doubt that during 2010 the Irish banking sector represented a threat to the euro area financial system. That type of threat would now trigger an ESM intervention, given that the capacity of the State to take on the debts of the banking system was seriously questioned. In 2010 and 2011, however, the Government agreed to use State funds alone to stabilise the banking sector. Again, fairness and the principle of equal treatment would argue for the use of ESM funds to

compensate Ireland.

We support this mechanism. We support the additional measures in terms of fraud and so on. However, the Government, on behalf of the State, needs to go back to the statements made and championed at the time as being a way out of some of the difficulties. We need to have some indication from those in the Government that it is going to pursue the matters they were so keen to tell us about in 2012.

Senator Kieran O'Donnell: I welcome the Minister of State. I am glad to support the Bill. Having looked through it in the limited time we have had, I want to pose a series of questions. My understanding from the Bill is that by 2024 the resolution fund will be in place. In the interim period, each state is required in essence to provide contingency funding to fund it in the event of a fall on a particular institution. It is not only a bridging loan; it is a bridging period from now until 2024, an eight-year period. Let us put it in context. The overall value of the fund is €55 billion. In gross terms we peaked as a state having €64 billion of debt related to the Irish banks. That puts in context the magnitude of the banking crisis we had in Ireland. For the entirety of Europe we are putting in place a fund of €55 billion, while our gross debt was €64 billion. In fact, in the case of Anglo-Irish Bank, taxpayers had to swallow hard for €30 billion, albeit over a longer period with the promissory note, which was welcome.

I wish to pose several questions. There is reference to a sum of €1.85 billion that the State is required to provide. How is that regarded in the national accounts? How is it reflected? Is it a contingency? How does it affect the national debt in the period in question? Am I correct in saying the fund that goes into the Single Resolution Fund will be entirely funded by the banks when it is properly funded? How will that happen over time in respect of the Irish banks and how will they pay their contribution towards it?

My understanding of the way this will work is that the banks will be required to take a write-down of 8% of eligible liabilities available against losses. If that is not sufficient and further losses remain, it will come into what is called a compartment which is currently in the region of €173 million. What exactly is it? How has that fund arisen? How will it evolve over time? Is that fund separate from the Single Resolution Fund? How will it operate in practice?

This is what I am getting at. We speak about many of these Bills as being technical. Then they go into the world of the abstract. Ultimately, what I want to know is whether this will cost the taxpayer. Is it going to hit the ordinary man? That is what this is about and what it has always been about. Let us bring it back to brass tacks. In the period between now and 2024 could it end up costing the Irish taxpayer? Are there any circumstances in which it will cost the taxpayer if a bank fails? I know that the banks are well capitalised, but one must always prepare for the worst case scenario - that is the accountant coming out in me still. After 2024, are there circumstances in which it could still cost the taxpayer? These are the questions we have to pose.

Bridging finance has not always come with a great reputation during the years. Typically, it was available where building societies were giving mortgages and people had to get a bridging loan from a bank. It is a term about which I am not especially mad. Then, it evolved into a form of mezzanine finance and I want to bring it back.

One section of the Bill amends the Companies Act 2014. The Bill is also relevant for transposing the European market abuse regulations and market abuse directive into Irish law. In particular, it relates to abuse, fraud and market regulations. This is something on which the Minis-

ter of State might come back to me with an answer. Has anyone ever been penalised under that legislation? We have a raft of legislation. I have always held the view that it is good to take a step back and go through the existing legislation and perhaps upgrade it somewhat. A great deal of legislation is in place. We have to implement this directive, which is to be welcomed. Has anyone ever been brought to court or fined under the current provisions in the Companies Act?

I want to leave it at that. This is part of an evolution whereby we are looking for a bail-in system for the Irish banks in order that we will not have a situation like that on the night of the bank guarantee. I remember being in the Dáil on the night of the guarantee, when I asked how much this would cost the taxpayer. I was told there were sufficient assets to cover the liabilities of the banks and everything was hunky-dory. Over a short period, it ended up costing taxpayers €64 billion gross. Consequently, Members must ask the hard questions. They must protect Irish interests, part of which entails having a functioning banking system. However, any new banking system that evolves in Europe must underpin the principle that the banks pay for their own mistakes; not the taxpayer. When I refer to the “taxpayer”, I am talking about everyone, including both those who are employed and those who are unemployed, who pay taxes such as VAT and excise duty, which is often overlooked. I have always held the view that the banks always thought they would be bailed out by the Government and the taxpayer. Ultimately, we must make the banks believe this will not be the case in order that they will be more prudent in their actions. It is that balance and I commend the Bill to the House. I look forward to the Minister of State being able to shed light but underpinning it is whether there will be a cost to the taxpayer.

Senator Trevor Ó Clochartaigh: Cuirim fáilte roimh an Aire Stáit. I dtús báire, déanaim comhghairdeas leis as a cheapachán. Ní dóigh liom go raibh mé ag caint leis ó shin. Go maire sé a nuacht. I congratulate the Minister of State. I do not believe I have met him since his appointment, but I say, “Well done,” to him and wish him well in his position.

Sinn Féin does not oppose the Bill, but we hope we never have to hear of it again. Thanks to an open engagement in the Dáil debate, my colleague, Deputy Pearse Doherty, managed to secure two important amendments that safeguarded the public interest and democratic accountability within the Bill. Members must be honest about the Bill. The fact it is required at all represents a failure, almost a decade after the crash, to achieve a genuine separation of banking and sovereign debt. The banking union, as it has come together, is an improvement, but it is not what was promised in the days and months after the people of Europe and this state, in particular, suffered so much because of the banking collapses. I accept this mechanism is necessary and even sensible to cover the gap period, but a more solid banking union should have been in place a long time ago. It is not hard to trace the watering-down of the separation of banking debt from the original intention to the much-diluted version with which we will end up. The Bill allows up to €1.8 billion of the people’s money to be used to prop up failing banks. This is a serious Bill and despite the Minister of State’s comment on the need to rush it through, it deserves the full scrutiny of the Seanad. In fairness, that happened in the Dáil and I am sure it will happen in this House too.

As I stated, Sinn Féin has already secured two important amendments to the legislation. The Bill before Members does not allow the Minister to increase unilaterally the €1.8 billion that can be called upon by the State. This is because of a Sinn Féin amendment to the effect that any such change requires the approval of the Houses of the Oireachtas. Sinn Féin also secured an amendment stipulating that each time a Minister draws down money, he or she must report on it immediately to the Houses of the Oireachtas instead of in an annual report. A weakness

remains in that, ultimately, the Minister can hand over the money without the approval of the Houses of the Oireachtas and Sinn Féin believes this is not ideal. I again highlight my party's discomfort with the tacking on of what essentially is another Bill to this important legislation. I acknowledge the market abuse regulations are also important in their own right.

Members should not let the issue of banking union pass without recalling one of the biggest failures of the previous Government. In 2012 the Taoiseach and former Deputy Eamon Gilmore spoke about seismic shifts and game-changers. They were talking about using the European Stability Mechanism, ESM, to recapitalise the banks retrospectively. I wonder what happened to it. I reiterate Sinn Féin does not oppose the Bill and we thank the Minister for agreeing to the important changes suggested by the party during the Dáil debate. Sinn Féin intends to consider its position on amendments before the next Stage is taken in this House.

Senator Denis Landy: I welcome the Minister of State. As others have noted, I believe this is the first time that I have been in the Chamber with him. I wish him well in his new role. I am always delighted to see what from where I stand are younger people getting an opportunity in politics. As somebody who lullled around in it for a long time before I got any opportunity, it is great. I mean this sincerely and wish him well.

As the Minister of State stated, this is a technical Bill. Its structure really is about recapitalisation arrangements within Europe. My colleague, Deputy Joan Burton, spoke about the Bill in the Lower House and I believe the Government took on board much of what she said about the Bill being narrow in what it does. It does not really address or deal with other areas such as investment or improvement of policies. Notwithstanding that point, it is important to put in place the Bill's provisions for our own good in the future. I intend to discuss the matter with the Labour Party spokesperson and will look to having further input on the next Stage but for the present, I welcome the Bill.

Acting Chairman (Senator Gerard P. Craughwell): As no other Senator is offering, I invite the Minister of State to make his concluding comments.

Minister of State at the Department of Finance (Deputy Eoghan Murphy): I will get to the different questions raised towards the end of my final remarks on Second Stage of the Bill. I thank Senators for their contributions to and participation in the debate. I again apologise that my initial script was not ready on time or provided at the beginning of the debate.

As Members will appreciate and has been mentioned, the Bill is mainly of a technical nature. It is designed principally to facilitate the implementation of the European Union banking union agenda. However, it is important because it allows Ireland to fulfil its banking union obligations. It is important that while dealing with this measure quickly, Members do not rush it. This can be done and it can be made a priority without rushing what we do. I look forward to the debate on further Stages in this House and to then getting into a more detailed discussion in which we take our time with it, while making sure it is a priority because of the aforementioned banking union obligations.

At this stage, progress on the creation of the European Union banking union is advanced. The European Central Bank, ECB, took over its supervisory role in November 2014 and is working closely with the national authorities to ensure that banks comply with EU banking regulation. This was the important first step on the road to banking union, and centralised supervision should ensure a high level of independence and objectivity and will help to rebuild

trust and confidence in the European banking sector as a whole.

The next step in banking union is to ensure that if a bank gets into difficulty, there will be appropriate tools and powers to manage the failure in an orderly manner. The Single Resolution Mechanism, SRM, was established for this purpose and should ensure an effective European response where a bank finds itself in serious difficulties. In order for the Single Resolution Mechanism to be credible, however, it was agreed by Ministers that a system of bridge financing through national credit lines needed to be put in place. This is to avoid a situation where the Single Resolution Board may find itself, particularly in the early years after the bail-in process has been completed, in a position where there are still losses to be absorbed.

It is important to note that this agreement will only be in place during the transitional phase to 2024, while the Single Resolution Fund is built up. The consequence of not signing the loan agreement with the Single Resolution Board is that, should an Irish bank get into financial trouble, the funding available to the Single Resolution Fund will be limited to the small amount in the Irish national compartment and the mutualised elements of the other national compartments and any borrowings the Single Resolution Board can carry out. However, if this should prove insufficient, there will be no fall-back source of financing from the Single Resolution Board as the national credit line will not be in place. It is important to point out that the banks are in general good health. Therefore, the likelihood of this loan facility agreement ever being called upon is minimal. However, the provision of this national backstop to the Single Resolution Board is key from a confidence perspective as it provides another indication for the market that the banking union member states are serious about ensuring stability in the banking sector.

The amendment to the Companies Act 2014 is required due to the need to transpose the European market abuse regulations and market abuse directive into Irish law. This will ensure the continuation of existing offences and high-level penalties that, on indictment, are up to €10 million in fines or up to ten years' imprisonment or both for insider trading and for market manipulation.

Before concluding, I will respond to the questions and thank Senators for their good wishes. As Senator Kieran O'Donnell pointed out, the full plan will be in effect in 2024 and, consequently, the Bill will fall out of relevance from that point. This pertains to a credit line. It is a last resort after a resolution waterfall that is quite complex but which goes to other sources of funding first, beginning with the bail-in process. Moreover, because it is a credit line, it will be repaid. The €1.85 billion will be the Irish portion of the €55 billion in the Single Resolution Fund and will come from the banks. There will be no effect on the national debt. If we have to implement the credit line before then, that would be a loan given; again, therefore it would not affect the national debt. It is important to note, however, that interest will be repaid on the loan and that, therefore, money will be coming into the State in addition to the loan moneys being returned. The banks are slowly paying into that fund already. We have used the national resolution fund, into which the banks have already paid, as an initial mechanism in respect of payments to the Single Resolution Fund, but once the agreement is in place, the banks will start paying in based on a different weighting measure and in accordance with what has already been decided.

Without wishing to be too technical - we can deal with the technical issues on later Stages - each country has a national compartment that it pays into over this period. If a bank becomes distressed, we then move to the resolution waterfall. The 8% bail-in is a minimum requirement. Depending on the structure of the bank and its debt and liabilities, the bail-in will amount to 8%

or more. When that money is exhausted, the resolution waterfall comes into play and what is in the mutualised element of the national compartment is considered. The relevant authorities can go back to see if there is anything left in these compartments. It is an attempt to ring-fence funding in the initial stage for the member state until we reach a full mutualisation. That is the purpose of the compartments. I reiterate that there will be no cost to the taxpayer. The whole purpose of this, learning from the past, is to break the link completely between the sovereign and the banks. The national credit line is a loan. It is the very last stage in a complex resolution waterfall that involves approximately six pre-stages. Even if it had to be called upon, a bank in distress could enter into the 8% or more bail-in and then enter into the national compartments phase, but it may never get to the point where the credit line would be called upon. However, the latter is an important backstop as a last resort. It is also a loan and repayment will not fall on individual taxpayers. That entire €1.8 billion will come from the banks on a phased basis and the €173 million already put in has come from the national resolution fund, into which the banks have paid. There is no taxpayer involvement at all.

I am not sure whether the Companies Act 2014 has ever been used, but I would be amazed if it has not. What we are doing is technical and if we did not move to do it now and if the Act was used, we would risk having a period whereby the penalties would not be as high as they have been in the past. We want to ensure the penalties for white collar crime continue to be robust and work as a deterrent.

There was an excellent engagement on Committee Stage, with everyone contributing and some very worthwhile amendments being made. I tried to take on board as many amendments as possible and recognise the concerns expressed. If we did not take the actual amendments put forward, we introduced compromise amendments that we thought would address people's concerns. In the original Bill, the Minister was not given any unilateral ability to raise the amount. However, as Sinn Féin expressed concerns about the clarity of that provision, we brought forward a further amendment as an additional safeguard to ensure it would not be possible at any stage to interpret it as giving the Minister unilateral power. Other helpful amendments were accepted on Committee Stage. Those constructive contributions were very much appreciated because when it comes to a technical Bill - where people agree the general idea of breaking the link between the taxpayers and the banks and putting in place a mutualised fund under banking union - it is good to have an objective or alternative viewpoint from the Members to ensure that when the Bill is in place, we will not have to return and amend it. The Bill will affect what will fall out of use when we come to full mutualisation in 2024. It is envisaged that the credit line will not be needed before then. It is just to be doubly prudent and ensure everything is crossed off in order that the taxpayer will not be exposed at all.

I thank Senators for their contributions and assisting in ensuring we deal with this as a priority but also that we take the necessary time and do not rush it. I commend the Bill to the House.

Question put and agreed to.

Acting Chairman (Senator Gerard P. Craughwell): When is it proposed to take Committee Stage?

Minister of State at the Department of Finance (Deputy Eoghan Murphy): It was proposed to take it next week, but there may be a problem because I am due before the International Monetary Fund in Washington DC next week. We are considering the possibility of taking it the week after that.

Senator Kieran O'Donnell: I presume there will be a discussion between the Leader's office and the Minister of State about the date.

Acting Chairman (Senator Gerard P. Craughwell): Will that take place next Tuesday?

Senator Kieran O'Donnell: Yes.

Committee Stage ordered for Thursday, 20 October 2016.

Business of Seanad

Acting Chairman (Senator Gerard P. Craughwell): The next item of business is No. 24, non-Government motion No. 9 on economic growth. I am waiting for Senator Gerald Nash.

Senator Denis Landy: He is due to come to the House at 6 p.m.

Acting Chairman (Senator Gerard P. Craughwell): I propose that the sitting be suspended until then.

Sitting suspended at 5.45 p.m. and resumed at 6 p.m.

6 o'clock

Economic Growth: Motion

Senator Gerald Nash: I move:

That Seanad Éireann:

- welcomes official and other forecasts of continued economic growth and falling unemployment;

- believes that a growing economy should sustain well paid jobs, through which more citizens share in economic prosperity, and asserts that economic recovery must therefore translate into better working conditions and improved pay;

- notes that workers, aided by their trade unions, will continue to advance claims about pay and conditions and supports enterprise level and sectoral negotiation between workers and employers on pay and conditions of employment, through collective bargaining and agreement;

- notes that employer-labour bodies tasked with intervention in industrial relations disputes ceased to function with the collapse of national pay agreements;

- recognises the need for a new body representative of employers and employees to oversee the attainment and maintenance of industrial peace and stability and call on the Government to take steps with the social partners for the establishment of such a body, with the specific function of intervening in protracted industrial relations disputes to guide them towards a managed resolution;

- calls in particular for the intervention of such a body in the ongoing Dublin Bus dispute with a view to resolving the matter before greater disruption is suffered by commuters and greater economic damage is suffered by both parties to the dispute; and

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- noting the level of subvention of public transport services in all comparable European cities, calls for a roadmap towards restoration of the public subsidy of Dublin Bus to pre-crisis levels.

I am pleased to move the motion on behalf of the Labour Party. The motion seeks to provide a route map towards the satisfactory resolution of the Dublin Bus dispute. It also seeks the introduction of a new mechanism, designed to complement and support the work of the Government and our excellent industrial relations institutions, to promote and sustain fairness in the workplace and attain industrial peace. Rather than sitting on the sidelines and making political capital from a complex industrial dispute, we, in the Labour Party, wish to be constructive and helpful. No worker withdraws his or her labour if he or she believes there is a better alternative. Nobody wants to see businesses and jobs damaged as a result of disputes that, if alternative approaches and responses were considered, might have ultimately been avoided.

I am pleased to see the trade unions and Dublin Bus management engaged again on a formal basis at the Workplace Relations Commission, WRC, and we are all hopeful a solution can be reached. For a host of reasons, the Labour Party supports the Dublin Bus workers and we support their right to seek better pay and conditions by collectively bargaining with their employer. That is at the core of what we believe in. That is why during my own short term as Minister of State with responsibility for employment, I was pleased to have introduced new collective bargaining legislation and frameworks for the creation of registered employment agreements and new sectoral employment orders.

The new system is working well. It is working in the longer term interests of Dublin Bus and Bus Éireann workers. Last Monday week a new registered employment agreement, REA, was registered with the Labour Court and signed by Dublin Bus, Bus Éireann, the Services, Industrial, Professional and Technical Union, SIPTU, the National Bus and Rail Union, NBRU, the Transport Salaried Staffs' Association, TSSA and Unite. The new agreement, the terms of which are legally binding, states that in the event that contracts are awarded to another operator as a result of a tendering process, no current employee will have to compulsorily transfer to the new operator. It also guarantees, in that context, that in the eventuality that a transfer were to take place, the current terms and conditions enjoyed by Dublin Bus and Bus Éireann staff would not be negatively affected as a result of the tendering of any services that might occur.

This important development for the long-term security of bus workers would not have been possible without the legislative action taken by the Labour Party in government. We deal with the reality of the world as we find it, not just how we would like it to be. While the circus performers, as I have often described them, on the populist left see industrial disputes and the fomenting of angst and discontent as an end in itself, the Labour Party and the vast bulk of the trade union movement are in the business of providing solutions to the complex problems confronting our society and economy.

Regrettably, there is the prospect of a winter of discontent down the tracks. This chilling vista appears to be coming into view partly because of the incapacity on the part of the Government to make even the most basic decisions. Nobody expects the Minister for Transport, Tourism and Sport, Deputy Shane Ross, to intervene directly in an industrial dispute. It would be unwise and set a bad precedent. We have sophisticated and respected industrial relations, IR, institutions and this machinery is available to everybody to address difficult IR issues in a professional and expert fashion. The WRC and the Labour Court have served, and continue to serve, the State extremely well.

Sometimes, industrial disputes are about much more than pay and terms and conditions. Rumbling in the background of this dispute is a fear that the Minister for Transport, Tourism and Sport is at best unsympathetic and at worst downright ideologically hostile to the idea that we should have commercial semi-State companies providing public transport in the first place. Five months into his job, the Minister has still not outlined his priorities for his Department or his personal priorities. Given his performance to date, we can only conclude that public transport is not one of his priorities.

In order to stem the crisis of confidence regarding support for the public transport sector, the Minister must develop a roadmap for the restoration of the Dublin Bus subvention to pre-crisis levels and ensure Government support for public transport providers is at a level that is at least comparable with analogous cities across Europe. A decent public transport system that is well managed is vital for the economy of the capital city and social cohesion. Collectively, every Member of the House wants it.

The Labour Party believes good, accountable, value-for-money public services are worth paying for. We call on the Government to set out a sustainable funding model for Dublin Bus in order to allow it plan for the future with confidence. This is one key contribution the Minister can make towards a sustainable resolution to the Dublin Bus dispute. Given the dysfunctionality that, unfortunately, characterises the Government, it needs all the help it can get to manage the complex social and economic problems facing the country. To that end, the motion also calls for the establishment by the Government, with the social partners, of an employer-labour conference. Would the Dublin Bus dispute have escalated to this point if such a body had been in existence in recent months? I sincerely doubt it.

I reiterate my hope the Dublin Bus action can be resolved at the WRC. I wish colleagues who are in the trenches addressing these issues well. We are all proud of the valuable work done by the WRC and the Labour Court on a daily basis. All too often, the State's IR machinery is mobilised in crises when the gulf between the actors is so large as to be unbridgeable. That kind of body is more necessary now than ever before. We are in a period of political flux and uncertainty. The space available for wise heads to prevail has diminished considerably in recent times. Such bodies, comprising experts from both sides of industry, namely, trade unions and employer bodies, are a permanent and important feature of the industrial relations and economic and social development landscape in a number of progressive northern European countries that we sometimes aspire to be like, for example, Denmark, the Netherlands and Finland. Like Ireland, they are small, open market economies that trade with the world day in, day out and are consequently more open to shocks and tremors than many other countries.

The employer-labour conference model would work by forging a consensus on the major policy challenges facing this country and support and complement the work of the WRC and the Labour Court. It would assist, not hamper, the work of a Government that is sadly in office but not in power. An employer-labour conference could be deployed to deal with major policy questions such as Brexit, the impending pensions crisis and the question of how we fund critical public services such as transport. This model was in place in the 1970s and 1980s before it was subsumed into social partnership, with its last iteration a few short years ago being the National Implementation Body. The creation of this type of body would help to attain industrial peace and have a utility beyond public transport disputes. We are all hopeful the current Dublin Bus dispute can be settled at the WRC in everyone's interests.

Senator Aodhán Ó Ríordáin: I support the Labour Party motion and endorse the com-

ments made by Senator Gerald Nash. I commend his sterling work and achievements in recent years in seeking to protect workers' rights.

I have visited the Dublin Bus drivers' picket line twice in recent months at the Clontarf depot. It is clear from my discussions with them that they want a number of things. Their pay claim has been well aired, but it is clear to everyone that a mechanism must first be found to hold discussions around the table. Thankfully, there have been movements in that regard recently. Second, the future security of the company and the Government's relationship with the company must be clarified. In that context, the Minister for Transport, Tourism and Sport has been found lacking in using any imagination to help to resolve the dispute. In the motion we are calling for what the Minister should have been working on for the past four months. It took him more than four months just to sit down with Dublin Bus management, despite the fact that the strike was known to be coming down the tracks. The Minister is a fast learner, but, possibly a little like Donald Trump, learning that mouthing off is not an option when one has responsibility. One cannot leak a titbit of information to a former colleague in a national newspaper to garner some positive coverage in future. One cannot talk up a showdown at the O.K. Corral only to pick up one's dignity on the way out. One cannot send a tweet along the lines of, "Shellshock here at the Stepside bus stop." The Independent Alliance must realise that being in government means one has to do something.

Perhaps this is the perfect storm for the Minister, as two of the forces that he hates most in life - trade unions and semi-State bodies - form two sides of his Bermuda Triangle. This is the Minister who previously called trade unions the "arch-insiders of the Celtic Tiger," "big, bearded bosses at SIPTU" and the "ayatollahs of social partnership." He has described pay claims as "Liberty Hall's latest smash-and-grab raid on the Exchequer" and, colourfully, the "social partners had their snouts buried firmly in the national trough." This is what he has said of CIE: "CIE has in recent years been exposed as a swamp of waste and skulduggery;" "Quangos like CIE and its three subsidiaries - Dublin Bus, Bus Éireann and Iarnród Éireann - are in dire need of efficiencies. There is plenty of fat hidden in the darker corners of these bloated bodies;" and "There is 'something of the dark' about CIE. Or at least a very thick fog embracing the murky company."

The Labour Party believes it is time for Fine Gael and the Independent Alliance to come clean. What is their vision for public transport? As a Deputy and Minister of State in the previous Government, I know that if the Labour Party had not stood up and entered into government, Dublin Bus would have been privatised and the Minister would probably have been one of the loudest cheerleaders. The current Government should set out its vision. As Senator Gerald Nash outlined, we can adopt an industrial relations model from other northern European countries. We want the Government to set out its vision for the reinstatement in the coming years of the pre-crash subvention to Dublin Bus.

I commend the motion to the House.

Senator James Reilly: I welcome the Minister and wish her well in her portfolio.

The motion has several parts to it and I agree with the first paragraph. I welcome the official figures, according to which there are now more than 2 million people employed for the first time since 2009. That represents an annual increase of 56,000. The forecasts are that this increase is set to continue. My constituency of Dublin Fingal has thousands of students and one of the youngest and fastest growing populations in Europe. This is also likely to continue, but they

will all need jobs. The area will need many jobs in the coming years. I was pleased to welcome the Minister to the constituency last week when she announced a further 80 jobs in Balbriggan. Fingal has had some success. Its unemployment rate has dropped by 32.25% since Fine Gael took office in 2011 in coalition with the Labour Party. The improvement continues.

We must protect workers and their rights. We must ensure unscrupulous businesses that deprive workers of their rights are punished. We must ensure every worker gets a fair wage. By growing the economy, we can provide good jobs for people that pay well, enable them to live without depending on State support and enable parents to raise their children without the fear of getting behind in their mortgage or bill payments. Jobs bring independence for individuals and certainty and better futures for their families.

More than this must be done to ensure workers are treated well. We must provide good and affordable child care, as it is a great burden on working families and prevents many others from working. We are, as a Government, examining how to encourage people to return home, particularly those with expertise that we badly need. However, there is also a large cohort, mainly of women, who are at home and are highly skilled but who cannot afford to go to work because of the cost of child care. We must afford them the opportunity to return to the workforce. We need to reduce taxes for working people in order that they will take home more of their wages in disposable income. That is opposed to increasing wages, which would make us uncompetitive in a highly competitive international market.

I agree with the second paragraph of the motion. The purpose of growing the economy is not just for the economy's sake itself but to ensure a better quality of life for all of the people. A growing economy will create and sustain well paid jobs and translate into better working conditions and improved pay, while retaining our competitiveness. We need to examine the other areas which affect people's ability to work. We need more housing and better health care, with more schools and education facilities, to ensure young people are well able to compete for jobs both in this economy and elsewhere.

The motion addresses the need for unions. I fully subscribe to this and believe unions have a useful role in protecting workers and that every worker has a right to join one. Paragraphs Nos. 5 to 7, inclusive, of the motion are, however, problematic. Paragraphs Nos. 4 and 5 state employer-labour bodies tasked with intervention in industrial disputes no longer exist and call on the Government to create a new body with the specific function of intervening in protracted industrial relation disputes. What then are the functions of the Workplace Relations Commission, WRC, and the Labour Court? The WRC and the Labour Court do good work, resolving hundreds of disputes every year without the need for strike action. They both have highly skilled and able individuals who are respected by both sides. It would be irresponsible to say these bodies are unfit for purpose because of the Luas and Dublin Bus strikes. As has been acknowledged by the proposers of this motion, in the past few days strike action at Dublin Bus has been suspended as both sides went back into talks this morning at the WRC. We do not need a new body to intervene in industrial disputes. Changing it would be a knee-jerk reaction to current events in a single company.

Paragraph No. 7 of the motion is also highly problematic. It calls for a restoration of the public subsidy for Dublin Bus to its pre-crisis level. This is not the approach we should take for several reasons. First, Dublin Bus's total revenue base is only 1% lower than it was in 2008. The company now makes a good profit of roughly €10 million when the public subsidy is included. Second, we should base the public subsidy to Dublin Bus on what it needs now, not

on what it needed eight years ago. Any money we give to Dublin Bus should represent good value for the taxpayer and the passenger. This means we should assess the public subsidy by reference to service improvements and efficiency.

The paragraph also refers to the amount of public subsidies to public transport services in other EU cities. Subventions vary significantly within the European Union, making it difficult to adequately benchmark subvention funding across EU member states owing to the different structures and funding sources used in public transport provision across the European Union. However, the ratio of public service obligation subsidy in Ireland would tend to be closer to UK levels, rather than the more generous subvention ratios in some other EU countries. We should be examining funding for public transport as it is the way forward. Dublin and other large cities cannot cope with more cars. We need investment in the public transport infrastructure and its subsidies. The Government has already laid out plans for the electrification of the DART line to Balbriggan and for metro. The priority, however, in subventing public transport services must be to ensure the taxpayer and passengers receive value for money from the significant Exchequer assistance provided each year. The provision of any additional subsidy should include measurable and improved service delivery and efficiency. The Department has tabled proposals for increased subvention in 2017 in line with this approach. I am delighted Dublin Bus management and unions are back in the WRC and wish them well in settling this dispute.

It is important the jobs created are good and well-paid and that workers' rights are protected. I do not believe there is anything between us on the motion's proposals in that regard. However, I do not support the creation of a new industrial relations entity.

Senator Aidan Davitt: I thank the Minister for Jobs, Enterprise and Innovation, Deputy Mary Mitchell O'Connor, for attending the House. She is busy coming to the House regularly. It is great to see the summer break was not wasted on some of our politicians. Many of them were busy dusting down their clichés and working hard on them during the recess.

Fianna Fáil supports the general principles of the Labour Party's motion. However, there are elements to it which are now void. For example, the circumstances surrounding the Dublin Bus strike have changed since last weekend. While it seems to be active in Opposition, it is disappointing that when the Labour Party was in power for the previous five years, it did not take the initiative to bring forward the proposals set out in the motion for a new industrial relations body comprising employers and unions.

While Fianna Fáil supports the general principles of this idea, as do the main social partners, we have also signed up to the current public pay process as provided under the confidence and supply arrangement and the establishment of a public service pay commission. This was a key demand of Fianna Fáil in our discussions on an arrangement to facilitate the formation of a minority Government. This process was part-started by Fianna Fáil as part of the larger Croke Park agreement. There is a clear need to link future arrangements and agreements with ongoing reform and improvement of public service delivery.

We welcome any job creation. However, employment under the previous Fine Gael-Labour Party Government was heavily concentrated in a small area. Up to 43% of the economy's gross domestic product is generated in Dublin. This concentration in one small area is disproportionate. In London, the same figure is about 20%. While the total number on the live register fell by 42,000 in the past year, there are still 60,000 participating in activation schemes. Ireland is also one of the toughest places to find work, with 115,000 people underemployed. Bringing

clarity to work hours is essential to creating decent jobs, as increasingly the rate a worker is paid means that they can become vulnerable and reliant on welfare. In the framework for confidence and supply arrangement, a policy commitment was reached to tackle this problem caused by the increased casualisation of work which prevents workers from being able to save and have any job security.

Dublin Bus workers have played a positive role in delivering public transport services in recent years. These improvements have been delivered with fewer resources in difficult circumstances. It is important management recognises the sacrifices made by workers and strike a fair proportionate pay deal with them. However, the sustainability of Dublin Bus must also be secured. It is essential that all parties are aware of the severe disruption which has been already caused to commuters, as well the further disruption should a prolonged strike continue. The approach of the Minister for Transport, Tourism and Sport, Deputy Shane Ross, to date has enabled the dispute to escalate. A real change in approach by the Minister is needed in this matter. It appears the parties are not that far apart. There is still time to resolve this dispute through negotiation and prevent a damaging strike from taking place, bringing the capital city to its knees.

Senator Frank Feighan: I welcome the motion. There are some aspects of it which I find favourable and others with which I do not agree. I come from an employer background. At one stage, I employed over 30 people. While we were not totally familiar with the unions or their workings, if my employees wanted to join one, they were more than welcome to do so. I told them to ensure I was aware, as an employer, of their entitlements. At various times, they brought it to my notice that they were entitled to holidays and days off. We approached these issues collectively. I lived up to my responsibilities as an employer and they lived up to theirs as employees by bringing to my notice exactly what was due to them. I would like to think this happens in most small businesses around the country. Unfortunately, many small businesses have gone to the wall. A new mechanism needs to be put in place. Most of my employees were hard-working, diligent and honest. I would like to think they got their redundancy entitlements when those businesses went to the ground. I want to point out that because most businesspeople were self-employed, they were left without any safety net, despite working 80, 90 or 100 hours a week. They, like many farmers, used all their savings to try to save their small businesses and retail businesses. Perhaps some of their businesses were not fit for purpose. Some small retailers could not compete with Tesco, Lidl and Aldi. Senator Ray Butler referred to the core areas in which many jobs were lost. I will not call this cohort of people “the new poor” because they are probably better off without such a label. As someone who formerly employed more than 30 people in the retail trade and the bar and restaurant sector, I believe there is a tendency to overlook this aspect of the matter.

I absolutely agree with the first three paragraphs of the motion that has been proposed by the Labour Party. Some 175,000 jobs have been created since the establishment of the first Action Plan for Jobs in 2012. The rate of unemployment has fallen to 8.3% from a peak of 15.1% in 2011. The economy is now bigger than it was before the crash. Ireland had the fastest growing economy in Europe in 2014 and 2015. I think the good work has started in earnest. I congratulate the Labour Party which, with Fine Gael, protected workers’ rights in the last Government. It was not thanked for the hard work it did in that regard. I come from a different ethos, as I have said; therefore, it was a great education for me and my Fine Gael colleagues to be able to work with the Labour Party. Even though each of the two parties has its own ethos, both parties are the same in many ways. The same approach is taken by many people in Fine Gael, the Labour Party and many other parties. For example, we agreed to exempt 450,000 low-income

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workers from the universal social charge, to increase the minimum wage by 20% from €7.65 to €9.15 and to protect core social welfare rates. People might argue with some of the things that were done in very difficult times.

The Minister is very welcome. I am so happy to see the economy now driving ahead. If it continues to drive ahead, we will be able to protect vulnerable people in our society. That is what it is all about. I would like to speak about the importance of creating jobs and enabling people to go out to work. I am absolutely delighted every time I hear the Minister on radio in the morning. She is working to create jobs and get people back to work, thereby improving their self-esteem. The economic benefits of job creation allow us to allocate more money to services that protect the vulnerable and give the unemployed a chance to get back to work. Employment levels have increased in all eight regions since the establishment of the first Action Plan for Jobs in 2012. The recovery started on the east coast and is slowly getting to the west coast and rural areas. We need more of this and I would like to see it happening much more quickly. While I understand the argument that if Dublin does not take off, we are wasting our time in the country, I suggest Dublin has taken off.

I would like to repeat a point I have made previously about the need for jobs. The European Medicines Agency is going to leave the United Kingdom because of Brexit. I understand the Government is fighting hard to get the 900 jobs at the agency into this country. It might be assumed that they would be located in Dublin, but what about the west? One thousand jobs could be located at the old MBNA office in Carrick-on-Shannon. We need to think outside the box by locating these jobs in a region where 1,000 jobs have the same value as 15,000 or 20,000 jobs elsewhere. People in Mullingar who currently have to travel to Dublin could get to Carrick-on-Shannon in not much more than 40 minutes. People in Boyle and Sligo would have shorter journeys. People in Castlebar could travel to Carrick-on-Shannon in approximately one hour. That is one aspect of the new way in which we need to do business.

I welcome the motion and I am delighted to speak to it. As I have said, we all come from different sides of the coin. In the past five years I was taught a lot about the collective way in which unions negotiate. My eyes were opened to it. I am prepared to work with everybody in this House and this Parliament to try to ensure we continue the growth and to ensure the money collected will be well spent and not thrown away.

Senator Paul Gavan: I move amendment No. 1:

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

- “- believes that workers in Ireland deserve a pay increase;
- believes that under-employment is out of control;
- encourages workers to organise themselves within trade unions;
- accepts that trade unions need access to their members in the workplace for purposes related to the employment of their members for purposes related to the union’s business or both and that this access requires a statutory footing;
- believes that public procurement contracts should have a trade union recognition clause;
- will work to ensure that legislation is provided for banded-hour contracts, effec-

tively ending zero-hour contracts;

- believes the Government should ensure sufficient funding for vital public services in order that disputes do not occur; and

- notes the level of subvention of public transport services in all comparable European cities and calls for a roadmap towards achieving a public subsidy of Dublin Bus to comparable European city levels.”

I welcome the Minister. I was interested to hear Senator James Reilly speak about the importance of child care and recognising the importance of unions. Perhaps the Senator or the Minister might chat to their colleague, the Minister for Children and Youth Affairs, Deputy Katherine Zappone, who has excluded trade unions from the new child care committee. It seems to be a shame. When we talk about child care, we might think about the wages of child care workers.

I accept that the motion before the House is well intentioned. Sinn Féin has drafted an amendment to it because it has certain concerns about it. I will go through the motion paragraph by paragraph to explain our concerns.

The first paragraph of the motion “welcomes official and other forecasts of continued economic growth”. We are a little surprised that the Labour Party would begin by welcoming official statistics that have been the subject of such controversy at home and across the world. We are familiar with the phrase “leprechaun economics” and with what Bloomberg had to state. Therefore, it is surprising that the opening line of a Labour Party motion would praise what the rest of the world has been ridiculing. Perhaps the Labour Party should look at the statistics for under-employment. Figures from the European Union’s statistical agency, EUROSTAT, show that approximately 111,000 people, or just over one quarter of those who were working part time last year, were classed as being under-employed. Although it is improving, Ireland’s rate of under-employment as a percentage of the workforce is one of the highest in the European Union. Many people who do not receive enough hours of work each week live in a perpetual state of economic insecurity.

The second paragraph of the motion contends “that a growing economy should sustain well paid jobs, through which more citizens share in economic prosperity”. This is essentially a statement of good intentions. Many things that should happen do not happen because those in power choose to do nothing about them. Unfortunately, that is the legacy of the last Government. It is widely accepted that the Labour Party made serious mistakes when it was in power. Cuts in young people’s welfare rates forced many of them to emigrate. The benefits of working mothers and working families were also cut. Significant parts of the social welfare system were privatised by Deputy Joan Burton. An effort was made to provide for the privatisation of bus routes in Dublin. It is unfortunate that the previous Government stood by while workers lost their pensions and their jobs. Workers were forced to occupy workplaces to try to get access to their entitlements. Our point is that we need more than good intentions.

We are in total agreement with the third paragraph of the motion which “notes that workers, aided by their trade unions, will continue to advance claims about pay and conditions”. The fourth paragraph “notes that employer/labour bodies tasked with intervention in industrial relations disputes ceased to function with the collapse of national pay agreements”. This is where we get to the crux of the matter. It looks as though our colleagues in the Labour Party want to

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take steps to reintroduce social partnership in the form of national pay agreements. That seems to be what this motion could be about. As someone who worked as a trade union official for ten years, I accept that there are various views on this topic, but I have to say I do not believe a return to social partnership at this point would be in the interests of working people or the trade union movement. I want to explain why. When the crisis hit, we had 20 years of social partnership and a key consequence of it was a lack of bargaining and worker activism at local workplace level. It is unfortunate but true that in many workplaces, active workplace committees and shop stewards no longer functioned in the way they should. There was also a growing perception that national pay deals were gifts from the Government rather than hard-fought deals won by an organised trade union movement. In hindsight, there was too much emphasis on tax breaks rather than pay increases during those years of social partnership. I know that my union, SIPTU, is doing amazing work developing a new generation of shop stewards and workplace leaders, building an organised and empowered union. The last thing trade unions need as they build on this new organising agenda is a return to centralised bargaining. The future must be empowered, organised workers, negotiating at sectoral and local level. We do not need the process policed by an overarching social partnership body.

Paragraph 5 recognises the need for a new body of representative employers and employees to oversee the attainment and maintenance of industrial peace and stability. Does the motion call for the superseding of the Workplace Relations Commission and the Labour Court? Does the Labour Party want a voluntarist appeals process to compensate for problems that arise in another voluntarist appeals process? In the absence of an overall social partnership deal, it does not make sense. As I have stated, we should not have a return to centralised bargaining at national level. We need to give real legislative status to our cause for workplace justice and equality, which is why Sinn Féin has been drafting and moving Bills with this expressed intention.

Paragraph 6 calls in particular for the intervention of such a body in the ongoing Dublin Bus dispute. We welcome this part of the motion, but we do not need a new social partnership body to do this. We just need the Minister for Transport, Tourism and Sport to do his job. There was a film from the Coen brothers a few years ago called “The Man Who Wasn’t There” and whenever I think of the Minister, I always think of that film. We need Deputies and Senators to stand up and say what should be said, namely, that Dublin Bus drivers need and deserve a pay rise, the Labour Party recommendation in this instance is not sufficient; more investment is needed and the Minister must act now. I was proud to stand on the picket line with Dublin Bus workers last week and will stand with them again if the talks do not succeed. At this point I pay tribute to the union leaders who have done an excellent job in communicating the case of Dublin Bus workers. In particular, I will single out my former colleague, Mr. Owen Reidy, of SIPTU. We should also acknowledge the tremendous support of so many of the travelling public for the Dublin Bus workers. I hope the talks under way will reach a successful conclusion.

The last paragraph of the motion calls for the restoration of funding to pre-crisis levels for Dublin Bus. The language used is significant and points to a lack of ambition. Sinn Féin does not want to see subvention restored to pre-crisis levels as what we need is subvention at levels of comparable European cities. I accept that the motion is well intentioned, but we need more than good intentions; we need good legislation. Our party does not accept that a social partnership type of body should be convened to oversee industrial relations. We are happy to work with others on the left in drafting legislation on improving worker rights and were happy to receive support from the Labour Party for our banded hours Bill in the Dáil, although it was blocked by Fianna Fáil. We are happy to support the Labour Party’s Bill in the Seanad on

bargaining rights for workers in the arts. The question I have for my colleagues in the Labour Party is whether they want to return to government at the first opportunity and prop up another right-wing Government or work with us and build a real left alternative to the Apple tax alliance of Fianna Fáil and Fine Gael. I urge them to choose the latter path. That is what trade unions across the country want to see.

Senator Rose Conway-Walsh: I second the amendment.

Senator Gerard P. Craughwell: I assure the Cathaoirleach I will not take very long.

I support the Labour Party motion and congratulate the party Members for bringing it forward. The time has come again for some form of social partnership. It served us well through the years, albeit, as mentioned by Senator Paul Gavan, with some downsides, including the lost ability to negotiate in a tough way at local level. Whatever way we move forward, we must try to find the best of both worlds.

I condemn the management of the semi-State bodies who put Ministers on the line playing the game. That is exactly what has gone on. I am not going to stand here and criticise the Minister for Transport, Tourism and Sport or anybody else. The line Minister in charge, when these issues arise, should tell the managing bodies to get in and stay in until a solution is found rather than expecting the Minister to bring a solution. That is the one message that failed to come across. I did not want to see the Minister riding in on a white horse with a cheque book, but I wanted to see the shareholders saying to the company that its representatives should negotiate until they found a solution.

Workers have given a huge amount to save the country. We have watched them suffering at all levels. People have not had pay rises in more than eight years and it is a pity we are bringing Dublin Bus into the debate as industrial relations issues should be left in the Workplace Relations Commission and the Labour Court. However, I must support the motion being brought forward by the Labour Party because I agree with what it is trying to achieve. I will not take any more of the Minister's time and will just say we really must get back to dealing with workers and ensuring they have decent jobs. The notion of part-time work in the form of zero-hours contracts has found its way into public service jobs, as well as the private sector, and it must be completely and utterly ruled out in the near future. I commend the Labour Party for bringing forward its motion. I regret I cannot support the amendment by the Sinn Féin Party on this occasion.

Senator Ivana Bacik: I wish to share time with Senator Denis Landy.

An Cathaoirleach: Is that agreed? Agreed.

Senator Ivana Bacik: I speak in support of the motion put forward by the Labour Party group and specifically my colleagues, Senators Gerald Nash and Aodhán Ó Ríordáin. I commend them for their effort and specifically Senator Gerald Nash during his time as Minister of State dealing with industrial relations and innovation. I am delighted and thank Senator Gerard P. Craughwell and others, including Senator Frank Feighan, for their support. We all accept the need for a restoration of public subsidy to Dublin Bus, which is a core part of the Labour Party motion. We all hope there will be a successful outcome to the Workplace Relations Commission talks under way. As my colleagues have said, the Labour Party supports the Dublin Bus workers. They are all a given and I am disappointed to hear Sinn Féin Members speaking against the motion. I do not really see the point of their amendment.

We need to work together to tackle a number of issues that have come to the fore as a result of the Dublin Bus and other disputes. These are issues around enforced flexibility, as the recent Think-tank for Action on Social Change, TASC, report calls it. It indicates we are looking at an increasing precariat or group of workers with very little employment security and who often work very uncertain hours. It is with this in mind that we brought forward legislation like the Competition (Amendment) Bill, which has seen support from all sides of the House. I should have welcomed the Minister and I am delighted she is supporting that Bill. We look forward to receiving her amendments very shortly; I hope they will come in the next two weeks in order that we can move forward and ensure collective bargaining rights for freelance workers in the arts. As the Minister is aware, Senator Gerald Nash will present a Bill we published on uncertain hours to the Seanad very shortly. Again, we seek to ensure greater employment security for workers through that Bill. It is in the spirit of these progressive reforms that we are bringing forward the motion.

The model being brought forward is an employer-labour conference that would complement rather than supplant the Workplace Relations Commission, WRC. We are all conscious that the WRC intervenes in disputes, meaning that it is firefighting and trying to resolve industrial disputes as they arise. The model we are putting forward, as Senator Gerald Nash has explained, is at the core of industrial relations models in progressive countries like Denmark, the Netherlands and Finland. It is a different and more long-standing model that would seek to address bigger industrial relations issues in context. These include Brexit, the pensions crisis and so on, as they will affect workers at all levels.

As I am conscious I may have gone over time, I will hand over to Senator Denis Landy. I urge colleagues to support the Labour Party motion.

Senator Denis Landy: I welcome the Minister and the views of all Members. Our group's motion is an attempt to deal with a specific ongoing issue, but it also looks beyond it to the longer range view of how we deal with industrial relations. I will debunk a number of myths that have been mentioned in this debate. I wish to make clear that none of my party colleagues who has spoken said anything about the current system - be it the Labour Court or the Workplace Relations Commission, WRC - being unfit for purpose. That is language that was introduced here; it is not ours. An earlier speaker gave the impression of responding to my colleagues, but let us be clear on this - we are satisfied with the work the WRC and the Labour Court do. We are seeking to put in place a provision that will not allow two cars to crash into each other, which is a strike. We want both sides, employers and unions, to examine where labour relations are going and where problems may arise. In that way, unions, management and employers can come together in unison for the betterment of society and of employer-employee relations.

What we propose is quite clearly not a reintroduction of social partnership. It is, therefore, incorrect for Sinn Féin to brand the motion as a back door for the reintroduction of social partnership. As the premise of the amendment is incorrect, it should be withdrawn. In that regard, I am surprised by the stance of my colleague, Senator Paul Gavan, who is a SIPTU official and lets us know it, for which I commend him. As I was a branch secretary of a union, on a voluntary basis, for 13 years, I have some knowledge of the area. Nobody in this Chamber would dispute the credentials of Mr. David Begg as a trade union official and activist. In today's edition of *The Irish Times*, Mr. Begg put forward the concept contained in the motion. Senior SIPTU members, with whom we have discussed this matter, are in favour of another tier being put in place. Senator Paul Gavan may be on a solo run, I am not sure, but he is certainly not talking on behalf of SIPTU.

Much has been said about the Labour Party in government and what it failed to do. I would like to bring to the attention of the House the relevant subvention figures, starting with Bus Éireann, the subvention for which in 2013 was €34 million. The Bus Éireann subvention during the peak of the boom in 2006 - under Fianna Fáil - was €26 million. The subvention for Dublin Bus in 2013, when we were in government and defended it, was €74 million. Under Fianna Fáil at the peak of the boom, the subvention for Dublin Bus was €69 million. It is, therefore, folly to argue the Labour Party did not stand up for the PSO system and public transport when it was in government. I would appreciate it if, in future, people making such allegations against my party would do better research.

This is not just a Dublin Bus issue. Like many other Senators, I come from a rural area. I take issue with what Senator James Reilly said, namely, that we cannot measure a benchmark subsidisation across Europe. In fact, this has already been done. The subvention level in Ireland is the second or third lowest in Europe. I recently visited France, where it costs €1 to travel 50 miles on the metro and €28 to travel six miles by taxi. It is clear that Government policy in France favours public transport, which is what we are seeking to do here. It is not a question of being against anybody. Rather, it is about being in favour of public transport. The only way to do that in a country such as ours which is predominantly rural is to provide a proper subvention. The only way to get from my town of Carrick-on-Suir to Dublin is by getting a rural link bus 14 miles to pick up a Bus Éireann service. If we continue down that road, we will further isolate rural areas and never rectify the problems arising from the new Government's efforts to downgrade Bus Éireann and Dublin Bus.

I used taxis during the bus strike days in Dublin. Taxi drivers and 99% of the public support Dublin Bus workers in the context of the work they do. I got onto a bus this morning and was unsure of at which stop to get off, but the driver took the time to explain the route and destination. That is the public service we want to defend. We are confident we can defend it with motions such as the one before the House.

An Cathaoirleach: It is the Minister's prerogative to come in when she wishes, but I will call Senator Alice-Mary Higgins now.

Senator Alice-Mary Higgins: I am broadly supportive of the motion and the sentiments contained therein. I want to address a couple of the points that have been made during the debate. We need to understand clearly that a growing economy does not, in itself, create employment or quality employment. We have seen our counterparts in the United States acknowledging that there is no trickle-down effect. Making decent work part of a growing economy is something that requires clear policies and mechanisms. It is part of our remit within the political spectrum to champion and promote decent work, decent pay and an economy that benefits everybody. One of the key ways the State can do so is by valuing its public employees and ensuring that those who work for the public in every capacity, both in providing direct public services and for semi-State bodies, are valued and can plan progressive careers. The eight-year freeze that many of them have endured should be recognised. There is now an idea that one can serve the public while planning a career and family for the years ahead, knowing that one is valued and will be meaningfully remunerated for important work.

The Labour Party's proposal is valuable. I do not think it is in any sense a replacement for the Labour Court, the Workplace Relations Commission or the joint labour committees which had fallen off the agenda but which are now, finally, moving back. They need to be strongly supported by this House. As I understand it, the proposal is that structures such as those which

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prevailed in the 1980s, prior to social partnership, would allow us a space in which to examine issues that move beyond individual disputes. We could thereby move beyond the question of pay and conditions for individual workers and deal with patterns we have identified across society. For example, there is the pattern as we move towards more precarious work, including the undervaluing of younger workers in many sectors. The proposal is for a valuable body which could examine such matters. As Sinn Féin colleagues said, it should not be regarded as a centralised bargaining space. It is, rather, a space to ensure we would have some vision within society to address not just current crises but potential future ones also. For example, it could ensure that in negotiations across many sectors, future workers and service users would not be disadvantaged. We are not simply talking about workers, we are also discussing the fact that in the future people will be able to work in the public service with pride.

Having said that, I have certain concerns about the proposed body. If it is to be further developed, we will need to consider such concerns. I understand Mr. David Begg has put this idea forward and that it is also in place in Denmark and other countries. Questions arise, however, as to how such a body would be structured. In terms of employee representation, it makes sense to have representative bodies, including unions. Unions should be in a position to talk about public policy in a wider space, rather than simply negotiating on behalf of their members on an individual or specific dispute. That would be a valuable contribution.

As regards the employer membership, there are questions as to the extent to which those employers might be public or private and how that representation might be divided up or broken down. That issue needs to be examined.

What about the community voice? It seems that none of us wants to recreate social partnership, but it is worth remembering that when we did have social partnership, there were also environmental and community pillars. I was happy to serve on one of them at one point. Community and environmental voices should be considered because we need to ensure this would not simply become a bargaining point, as was mentioned. The proposal, therefore, requires further development.

Some extraordinarily valuable points are made in the Sinn Féin amendment. I agree with the premise and would like to support such proposals if they are forthcoming from Sinn Féin in the future.

7 o'clock

The question of trade union access to members in the workplace is important. The question of a trade union recognition clause in public procurement is something I favour. I would like to see legislation come through this House dealing with that clause and other clauses within public procurement contracts worth €6 billion every year, a significant area of spending in which the State could show it values workers and workers' representatives. However, all of us in the House who are passionate about workers' rights and moving forward the workers' rights agenda maybe need to look to how we can work more constructively together because there are many Members in the House who feel strongly about this issue. I would love if we could try to work in such a way that we get behind each other on motions and amendments in this area.

I note one other point. Both proposals pointed to the question of subvention. Sinn Féin's proposal was a little more ambitious but the Labour Party's proposal does not preclude it. The Labour Party has looked for an increase in subvention to pre-crisis levels, which I support. I

recognise that Sinn Féin has a more ambitious target of moving to a European average and that is something which could be added subsequently.

In terms of subvention and the question of public subsidy, I support all groups which look for the idea of a roadmap towards public subsidy which is appropriate. Ireland is woefully behind the rest of Europe in valuing public transport and investing in it. We invest 28% in the public subvention compared with 47% in France and 60% in both Italy and the Netherlands. We are, as one previous speaker mentioned, closer to UK levels. In fact, only the subventions in the United Kingdom and Luxembourg are lower than that in Ireland. Ireland is an outlier in terms of the low spend on and investment in public transport. The UK model, to which we may be closer, is a highly fractured and privatised model which would be a serious warning to us in Ireland rather than any kind of model which we must consider if we are to have a credible public transport system.

In terms of subsidies and subvention, we need to look to a different language. This is public investment. When we spend on public transport and subsidise it, we are not propping up some semi-State company. We are investing in the significant value given and which is recognised worldwide of a formidable, useful, effective public transport system. It gives extraordinary returns in terms of the environment, participation in society, the individual benefit it gives to all those who are able to work and move in our cities, the life it brings to many areas which would otherwise be isolated, and its meaning for business. It is notable that business complains when the strikes take place. That is because a public transport system is invaluable to a healthy economy. We need to increase massively our investment in this area. Public transport needs to be part of planning and our vision for the city and the country and it needs to be a public vision with public accountability.

While I will not address the issue of Bus Éireann, it is part of that public transport vision. Dublin Bus is one of the most inclusive employers in the country. It has led the way in its support for diversity in its employment and is a tool of inclusion within the city. It is the mechanism which supports all those within the city areas, no matter how isolated and no matter how much the deprivation, to ensure they can be part of the life of the city. We need to recognise that work. We need to ensure those who work with Dublin Bus are recognised, that they can plan their career with pride and that they can be assured of appropriate remuneration and recognition in the years ahead. I wish the talks every success and commend the drivers for having put this issue strongly and appropriately on the public agenda.

Minister for Jobs, Enterprise and Innovation (Deputy Mary Mitchell O'Connor): I am pleased to have the opportunity to speak to the motion. There is much in it which the Government can support but also elements it cannot support. I pay tribute to the former Minister of State and Deputy, Senator Gerald Nash, for the good work he did in the Department of Jobs, Enterprise and Innovation on industrial relations and also on his stellar work with small businesses. I can understand why the Senators would consider making some of the points contained in the motion. I also accept that the motion is intended to be constructive as opposed to just playing mere politics and thank the Members for affording me the opportunity to speak to it.

We can all welcome the forecasts for continued economic growth and falling unemployment and it is my number one goal as Minister to see this continue. The country has witnessed a significant improvement in the economy in recent years, but there is still a lot to do. With more than 2 million people in employment for the first time since 2009, there was an annual increase of 56,000 in employment in 2015. The Government believes a growing economy should

sustain well paid jobs through which more citizens share in economic prosperity. I stress the Government's support for a social economy model which delivers a strong economy and a fair society. The Government recognises that economic and social progress go hand in hand. It is the economy that serves society, not the other way around. A strong economy is needed to support people at work and pay for the services needed to create a fair society.

We have seen sustained job creation and falling unemployment. We are focused on full employment and people having good sustainable jobs. I have spent a major part of the summer travelling throughout Ireland, through the regions and rural areas, listening, learning and speaking to implementation groups of action plans for jobs. I have announced thousands of jobs and can honestly say the jobs were well paying, the effects of which will trickle down into the community to help retail and hospitality enterprises such as restaurants in towns and villages. Full employment in sustainable jobs is what will make possible all other plans for better services, higher living standards and, ultimately, better lives for people living in Ireland. The measures agreed by Government in the Action Plan for Jobs and the regional action plans will promote job creation and employment growth in all parts of the country. I am determined that good jobs will come to rural and regional areas. These measures are being delivered on. The Government will use the benefits of a strong economy to ensure we will have a fair society.

The Labour Party motion calls for a new body representative of employers and employees to intervene in protracted industrial disputes. I consider the creation of such a permanent new body unnecessary as it runs the risk of undermining the role of the Workplace Relations Commission, WRC, and the Labour Court. I can understand why high profile disputes such as those at Luas and Dublin Bus lead to such calls, but we must remember that hundreds of other disputes each year are resolved by the WRC and the Labour Court without strike action. Parties to many of these disputes believed they would not have had exhausted the industrial relations, IR, process or done the utmost for their members if they did not have the matter considered in some way by a higher body. Thus, the everyday work of the WRC and the Labour Court would be undermined.

The Workplace Relations Commission and the Labour Court have been shown to be effective dispute settling industrial relations institutions within the voluntary system of industrial relations. The Workplace Relations Commission has a suite of services to assist employees and employers maintain harmonious industrial relations. The Workplace Relations Commission advisory service promotes good practice in the workplace by assisting and advising organisations in all aspects of industrial relations. Its mediation service encourages the discussion and resolution of disputes in the workplace at local level. Mediation provides an opportunity for those involved to address issues locally and reach workable solutions. If mediation is not appropriate, the Workplace Relations Commission offers a conciliation service to parties that find themselves in dispute. The conciliation service helps employers and their employees to resolve disputes when they have failed to reach agreement during their previous negotiations. The substantial majority of cases referred to conciliation are settled. The conciliation service's handling of industrial relations disputes is becoming increasingly important as levels of actual or threatened industrial action increase. The number of referrals to the conciliation service was 513 in the first six months of 2016. If conciliation does not produce an agreement, a dispute may be referred to the Labour Court. A total of 26 disputes have been referred to the Labour Court since the beginning of the year. In the context of many of these referrals, significant progress was made at the conciliation stage in terms of narrowing the differences between the parties and this led to the number of issues requiring definitive Labour Court recommendations

being reduced.

A Programme for a Partnership Government states the Government will respect the Workplace Relations Commission and the Labour Court as the proper forums for State intervention in industrial relations disputes. I reiterate that the creation of an additional higher body in the State to intervene in protracted industrial relations disputes is unnecessary. I welcome the establishment of the new Labour Employer Economic Forum. This is a formal tripartite structure designed to facilitate enhanced dialogue. The first meeting of the forum which the Taoiseach will chair will take place next week.

I acknowledge, as I must, the progress made in recent years in reforming the workplace relations bodies. It is important for us to reflect on the progress made in recent years to improve the industrial relations institutions of the State and the industrial relations legislation used by workers and employers. In the course of the workplace relations reforms five bodies were merged into two, namely, the Workplace Relations Commission and the Labour Court. These changes provide a better service at lower cost to employees and employers. This represents the most significant reform of the State's employment rights and industrial relations machinery in 70 years. The average waiting time for a hearing before the Workplace Relations Commission is now between three and four months. Waiting times to hear legacy Employment Appeals Tribunal cases are down from 128 weeks at the start of 2015 to 53 weeks. Labour Court waiting times have fallen from ten to six weeks. Cases awaiting hearing by the Employment Appeals Tribunal had fallen from 3,000 to 868 by the end of the second quarter of this year. Waiting times are between 32 and 49 weeks and falling rapidly. The joint labour committee system has also been restored. Employers and their representatives can again come together voluntarily and negotiate the terms and conditions of workers in their respective sectors.

Welcome reforms have been made to our collective bargaining laws through the Industrial Relations (Amendment) Act 2015 which commenced in August last year. The legislation provides for a clear and balanced mechanism by which the fairness of the total employment conditions of workers can be assessed by the Labour Court where collective bargaining does not take place. These changes bring clarity and certainty for employers in terms of managing their workplaces. There have been other developments in recent years, including in relation to wage-setting mechanisms. The Industrial Relations (Amendment) Act 2015 provides for a revised legislative framework to replace the registered employment agreement framework. That Act sets out a replacement framework for registered employment agreements in individual enterprises and includes a new mechanism whereby pay, pension and sick pay provisions in a particular sector can be established, agreed and enforced by way of a sectoral employment order. Ireland's comprehensive suite of employment rights legislation sets out protections for all workers.

I emphasise that throughout the crisis, the Government was committed to maintaining employment rights, particularly those designed to protect the most vulnerable workers in society. If anything, the changes that were made and the new legislation have improved protections. I welcome the commitment in the programme for Government to tackle the problems caused by the increased casualisation of work and strengthen the regulation of precarious work. To this end, I am committed to considering an appropriate policy response to the report of the University of Limerick on zero-hour and low-hour contracts in the economy. In response to the report, my Department sought submissions from interested parties by way of a public consultation process. A large number of submissions were received by the closing date and the responses contained a variety of views for and against the findings and recommendations made by the

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University of Limerick. The responses require and are being given careful consideration by the Department of Jobs, Enterprise and Innovation. The study and the responses to it will be considered by the Government with a view to agreeing the actions that should be taken. I would like to secure broad agreement on the proposals and, as such, I have asked the Department to engage with employer and employee representatives in the coming weeks to achieve this aim.

I condemn in very strong terms the way the Clerys workers were treated. It is my firm intention to amend the law, as necessary, to ensure that nobody will be left in that position again. My predecessors in the Department initiated the Duffy-Cahill report as part of the response to the closure. The report sets out a number of recommendations for changes to employment law. My Department has initiated a public consultation and quite divergent views have been received on the recommendations. The Company Law Review Group has also been asked to examine ways to amend company law to better protect employees and unsecured creditors. It will report in the coming months. The Minister of State, Deputy Pat Breen, and I are committed to bringing proposals to the Government seeking agreement to make the necessary changes in response to the Duffy-Cahill report. However, as this will involve technical and complex legal issues, it is important to take legal advice to ensure changes are correct. The reason this process is taking time is because of the need to get it right legally. It is not because of any lack of commitment on my part or that of the Minister of State.

In the context of the Dublin Bus dispute, I acknowledge the considerable disruption suffered by commuters and the financial impact on business in the city. There is no doubt that retail businesses suffer when people do not have access to transport. The Labour Party motion calls, *inter alia*, for the restoration of the public subsidy to Dublin Bus to pre-crisis levels. The Exchequer provides substantial recurring financial assistance for Dublin Bus in the form of the subvention funding provided in return for the provision of public service obligation services. It also provides capital funding, principally for the purposes of bus fleet renewal and expansion. In the period 2008 to 2015, this financial assistance totalled €772 million. The key priority in supporting public transport services in the future should be to secure service improvements in public transport. The priority for additions to public transport subvention should be based on the proposed impact of improved services for the public. Access to public transport is an extremely important social issue, especially for those who are mobility impaired. While I support efforts to improve the public transport offering, it should be done based on detailed analysis by the National Transport Authority and considered in the context of the budget.

I welcome the ongoing discussions taking place at the WRC between all parties to the Dublin Bus dispute and I am sure we can all join together in hoping progress can be made. I assure the House of the Government's commitment to continuing the momentum made in reforming the workplace relations bodies, industrial relations and employment rights legislation. These measures are aimed at protecting workers' rights, particularly the most vulnerable workers, and at promoting a stable industrial relations environment. I look forward to working in a constructive and positive manner with colleagues across all sides of the House.

I thank Senators for giving me this opportunity and look forward to hearing their views during the rest of the debate.

Senator Brian Ó Domhnaill: I am delighted to have an opportunity to speak to the motion which is poignant, given the ongoing dispute with Dublin Bus and its workers. As issues have developed and emerged, the motion has been superseded by negotiations taking place this week and we hope they prove fruitful. Much has been said during the debate which I do not want to

repeat.

Public sector workers are among the best in the world and they provide exceptional service sometimes under difficult conditions across the public sector in local authorities and the public services that are provided on a daily basis. These posts are all funded by the public sector income which is provided predominantly by the taxpayer. As such, there is an obligation on all of us to act responsibly when this money is being divided. We cannot argue economically for tax reductions or increases, on the one hand, and increases or reductions in pay, on the other. Complicated economic analyses have been made both here and across the OECD of models of rewarding pay and performance.

I was listening to some of the debate on Dublin Bus. The first question I always ask about a public service obligation is whether it can be provided by the private sector or if the taxpayer has to subvent a private company to provide it. For example, reference was made to the revenue stream of Dublin Bus. I examined the revenue stream of Dublin Bus in recent years. During recent weeks some of the trade unions have been economical with the truth about the subvention being paid by the taxpayer, not by us, to Dublin Bus. The PSO which was referred to is only one element of the funding the taxpayer provides for Dublin Bus. In addition to this subsidy which was €57 million last year, the National Transport Authority, NTA, provided a capital subvention of €39 million, bringing the total State subvention to €96 million. Figures for other years are available.

When we compare like with like, we must acknowledge that the taxpayer is paying for the new buses on the streets of Dublin. They are not paying for the new buses on the streets of Galway, Cork, Letterkenny or other cities. They are paying for the new buses on the streets of Dublin and the PSO is being provided, given that the service is deemed to be financially unviable but socially desirable. The question must be asked as to why the taxpayer is subventing only Dublin Bus. If we want to get into the argument about pay and conditions, perhaps we should compare some of the other bus operators in the country. In my county, a private company, John McGinley Coaches, is providing a first class daily service from Donegal to Dublin and receives no State subvention, apart from pensioners' fares. Should the State intervene? The Labour Party motion indicates, if it does not state explicitly, that the State should intervene by propping up Dublin Bus to sort out the terms and conditions being requested by the workers.

Senator Paul Gavan: It is a race to the bottom by Fianna Fáil.

Senator Brian Ó Domhnaill: It should not happen and there is no economic justification for it. There are questions Dublin Bus management must answer and it has not done so. An economic analysis carried out by the NTA in 2015 of Dublin Bus and Bus Éireann found satisfactory results. I am not sure what "satisfactory" means. If we are providing €100 million of taxpayers' money for Dublin Bus and the economic audits are only "satisfactory", questions are to be asked of the management. If there are to be pay increases, the taxpayer should not foot the bill. It would be wrong and send us down a cul-de-sac from which there would be no coming back.

There are issues surrounding the future economic viability of Dublin Bus. This morning I heard on the radio that it would be in a deficit situation by the end of the year. If this is the case, there is a need for an updated economic analysis of the company. The manner in which it deals with its employees will, I hope, be resolved through the machinery of the State. When we talk about public sector pay, we also need to discuss performance and reward. The two are not mu-

tually exclusive. If we are going to increase public sector pay, we must also ensure performance is closely linked with it. The performance factors which were built into Haddington Road, Croke Park and some of the other agreements have worked. Public servants are working and providing an excellent service and we must ensure they are rewarded for it. We must change the mentality in the public sector that pay increases come, but workers are not being rewarded for the extra they give. Public servants give extra every day of the week, for which they must be rewarded. We must build a system that acknowledges and recognises it. That is why my party supports the Government initiatives and we have made it a precondition of supporting the supply and confidence arrangement that a public sector pay commission be established. It is absolutely crucial that it be done and that there be a filtration of rewarding performance across the public sector.

As politicians, we cannot seek support for constituents who are trying to get services from the State, on the one hand, and, on the other, try to reward poor performance. There must be some correlation between the two. The only way we can do it is by establishing a form of commission, not a rewarding body that would examine only one side. A much bigger picture must be examined. The Government, like any national government, does not have an infinite supply of resources, given that the taxpayer must be penalised through taxation to provide these resources.

I agree with some of the Labour Party motion and disagree with other elements of it and, moreover, the Sinn Féin motion, given that I struggled to make sense of some of it.

Senator Pádraig Mac Lochlainn: That is reassuring for us.

Senator Brian Ó Domhnaill: It is obviously the Labour Party or Sinn Féin trying to pander to unions and win back some of their support.

Senator Kevin Humphreys: That is absolute nonsense.

Senator Gerald Nash: I am not sure to whom the Senator is pandering.

Senator Brian Ó Domhnaill: There is a baffling line that might be explained. It is “believes Government should ensure sufficient funding for vital public services so that disputes do not occur”. What happens if that is awarded but there is another dispute? Should it use more taxpayers’ money? That line does not make any sense from any quarter. It baffles me that the line would be in a motion as it is counter-intuitive to it and undermines its credibility. I would be glad to argue the point with the Senator at a later date.

Senator Pádraig Mac Lochlainn: I welcome the opportunity to speak to the motion and, in particular, argue in favour of Sinn Féin’s amended motion. Our amended motion reflects the experience of workers under the last Government. I recall the workers in Lagan Brick, Vita Cortex, TalkTalk, La Senza, Clerys, Dunnes Stores and many more companies who were denied basic rights and had to engage in sit-in protests. Ireland had the dubious distinction of having the second highest number of low-paid workers in the OECD. On top of this, we must add the decimation of key public services such as health, the provision of social housing and public transport.

In the Ireland of 2016 people go to work and live in emergency accommodation. Workers cannot afford to go to the doctor and their children languish on waiting lists for services that are available on demand in other European countries. We agree that there is economic growth tak-

ing place and are thankful unemployment is falling. We are deeply concerned that this growth in economic activity and employment is fundamentally imbalanced. The major cities of Dublin and Cork are moving forward, while many other communities across the State, no more so than my own county of Donegal, are being left behind and are yet to see consistent growth or an adequate recovery in jobs. This type of recovery is symptomatic of the failed policies of the past that delivered totally imbalanced growth and allowed very bad decisions to be made. We all know the consequences of those policies.

We, in Sinn Féin, certainly believe a growing economy should sustain decently paid jobs. We also believe all citizens should share in economic prosperity and that it must translate into better working conditions and improved pay. Trade unions are needed more now than at any point in recent times in order to restore the damage that has been done to workers in the past eight years. What has happened to workers in Ireland is not unique and the same has happened to workers in the United States and other European countries. We are seeing the rise of neoliberal economics, with bible touting privatisation, deregulation and the driving down of workers' pay and conditions. It is about attacking public services and undermining public confidence in our ability to grow public services. It is a shared right-wing ideology held not just in this country as we have seen from tonight's contributions but, unfortunately, also across Europe and into America. Those of us on the left have a duty to coalesce. We will not reach agreement tonight but perhaps the point made by Senator Alice-Mary Higgins could be taken on board. Perhaps in the future we might co-operate better on these motions and try to reach some degree of consensus in order to demonstrate to the people following these matters at home or the many more who are understandably disillusioned with debates in these Houses that there is a better alternative to what they have seen and which has destroyed so many people's lives.

We welcome the acknowledgement by the Labour Party that the subvention to Dublin Bus, as to other public bodies, is not comparable with that in other European cities. We call on the Government to ensure funding for vital public services to prevent disputes occurring in the first place. Restoration of funding to rebuild the current services and add more must come about and a roadmap should be developed that can bring us to that point. There is a need to strengthen workers' rights. My party has brought forward many Bills in recent years that sought to protect and enhance workers' rights, but they were rejected by the previous Government, of which the Labour Party was a part. We have an ongoing position whereby many trade union officials are being denied the right to access places of work to engage with their members. This is happening in many retail outlets throughout the State. The issue of right to access was not dealt with by the previous Government. We have prepared legislation on this matter and hope to bring it before the Dáil in the near future.

Negotiations are ongoing to settle the Dublin Bus dispute. I wish the unions and Dublin Bus workers well in their negotiations and regret that management allowed it to get to this point in the first place. Also the behaviour of the Minister, Deputy Shane Ross, in this dispute has been far from helpful. Sinn Féin will vote against the Labour Party motion and I ask Senators to support our amended motion. Although we cannot reach agreement tonight, I hope we will be able to do so in both Houses in the lifetime of this Dáil and Seanad, allowing us to put together a shared vision from the left.

Senator Paul Gavan: Hear, hear.

Senator Pádraig Mac Lochlainn: It should indicate how we can have strong public services paid for by fair general taxation, offering a coherent alternative to the Fianna Fáil-Fine

Gael conservatism that has failed so many in the country and their brothers in other countries.

Senator Denis Landy: Therefore, Sinn Féin wants the opportunity for us to support it. The Senator is some character.

Senator Pádraig Mac Lochlainn: That is my appeal. We can heckle at each other or take on board the appeal of Senator Alice-Mary Higgins.

Senator Alice-Mary Higgins: I ask Senators to be constructive.

Senator Kevin Humphreys: I came to the House with no great intention to speak because my colleagues argued the point very clearly. I have been sitting here frustrated as I listened to thinly veiled attacks not just on Dublin Bus but also on Dublin from Fianna Fáil. I was totally dismayed. There is a subvention for all public transport throughout the country, not just Dublin Bus. Dublin Bus has a catchment of over 1.3 million people, with millions of journeys taken. The thinly veiled attack on Dublin Bus, its workers and the citizens of the capital city has dismayed and disgusted me.

Senator Brian Ó Domhnaill: The Senator is being selective and twisting the words.

Senator Kevin Humphreys: I am not twisting them. The Members heard it.

Senator Paul Gavan: Yes, absolutely.

Senator Kevin Humphreys: The Senator will stand corrected. I am totally disgusted by the attack on the city.

Senator Brian Ó Domhnaill: They are facts.

Senator Kevin Humphreys: Public transport has a very positive effect on our carbon footprint.

Senator Brian Ó Domhnaill: Absolutely.

Senator Kevin Humphreys: We need to invest in public transport. It is a constant theme since the last general election that there is attack after attack by Senators or Deputies - whether from County Donegal or elsewhere - on Dublin city and workers there. We are part of Ireland also and contribute more in taxation than many other regions. We are entitled to a good service. The people providing that service should be paid a proper wage. I am sick of the constant attacks on these services. As I did not mean to speak when I arrived, I have been brief.

Senator Gerald Nash: I support the comments of my colleague, Senator Kevin Humphreys. I am not really surprised by Senator Brian Ó Domhnaill's comments as it seems Fianna Fáil, the party that was only too happy to support a public bailout of the banks, is being peculiar in not being prepared to envisage a position where there may be additional subsidies to vital public services that make the economy work and provide so much in ensuring social cohesion in the capital city. It is no wonder Fianna Fáil has a Dublin problem and will continue to have a problem if that is the type of rhetoric we will continue to hear from it. I am disappointed that my colleague, Senator James Reilly, and others decided to deliberately confuse the issue of the proposal of an employer-labour conference with the functioning of the very important institutions that are the Workplace Relations Commission, WRC, and the Labour Court. I value the work of both institutions that have served the country extremely well. I know more than most

about the Workplace Relations Commission for it was the Minister, Deputy Richard Bruton, and I who set it up and I resent any accusation that might be made that we do not support the work of the WRC or the Labour Court. Nobody should hide behind that as an excuse not to support the motion. They are entirely different animals and seek to do entirely different things. I have said it before and will say it again. The employer-labour conference serves an entirely different purpose. It predates the social partnership model and worked very effectively in a number of instances in the 1970s and 1980s in attaining industrial peace when that seemed like a distant ambition for people caught up in protracted, or potentially protracted, disputes in that very difficult period for the country. The employer-labour conference can grapple with major policy questions that a Government may be incapable of facing because of numbers and other challenges. I am intrigued by the proposition that clearly came from the Government this week, perhaps in response to the motion, that a form of labour-employer economic forum be established. I would be interested to learn more about it and what that innovation seeks to achieve.

Unlike Senator Paul Gavan, I am not particularly concerned about official economic development figures. We all accept that the GDP figures published recently leave a lot to be desired, but the proof is available in that people are getting back to work, the real economy is growing rapidly and the economic recovery is spreading evenly across the country, despite what some people say because it serves their interests to say it is not the case. It is the case.

This is not about centralising decision making or collective bargaining in some national body and bypassing the important work of shop stewards on the shop floor and trade union officials. The reality is that without the Labour Party's presence in government and an initiative such as the employer-labour conference, there would be no formal role for trade unions in decision making in this country.

I support what my colleague, Senator Alice-Mary Higgins, said. I welcome the points she made on the joint labour committee system that we were proud to reconstitute just a few short years ago. With regard to the joint labour committees, far from falling off the agenda, it is hoped the Minister will shortly sign the second employment regulation order for the security industry that will ensure a living wage for 12,500 security contract workers across the State in a very vulnerable sector. The joint labour committee system is up and running. We would like to see Government policy being initiated and respected by employers in the hospitality and retail sectors, but that is not the case and there is work to be done in that regard.

I also welcome Senator Alice-Mary Higgins's eloquent defence of public services. Perhaps we should move away from the characterisation of providing citizens' resources for public sector bodies and public services as some kind of subvention or subsidy when it would be more appropriately referred to as public investment in services we all use and need.

I am very interested in the development the Minister has announced on the economic forum, about which we need to hear more. I appeal to the Government to have the confidence to accept this innovation because we cannot simply stand still and expect that the economic recovery will continue or, as some people famously said, let us keep the recovery going. We need to innovate constantly and be smart about the institutional responses we make as a Government and as an Oireachtas to the key policy challenges we face.

I hope to be proved wrong in the coming period, but I suggest we may well be back here at some point in the next few months as many of the industrial relations challenges we believe we will face come down the tracks. They may be intractable and difficult to resolve and we may

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need an intervention of this nature to deal with some of the big policy questions the country will face. I appeal to colleagues across the floor to support the motion.

Amendment put:

| The Seanad divided: Tá, 7; Níl, 26. | |
|-------------------------------------|-----------------------|
| Tá | Níl |
| Conway-Walsh, Rose. | Bacik, Ivana. |
| Devine, Máire. | Burke, Colm. |
| Gavan, Paul. | Burke, Paddy. |
| Mac Lochlainn, Pádraig. | Butler, Ray. |
| Ó Clochartaigh, Trevor. | Buttimer, Jerry. |
| Ó Donnghaile, Niall. | Byrne, Maria. |
| Warfield, Fintan. | Coffey, Paudie. |
| | Coghlan, Paul. |
| | Craughwell, Gerard P. |
| | Feighan, Frank. |
| | Higgins, Alice-Mary. |
| | Hopkins, Maura. |
| | Humphreys, Kevin. |
| | Landy, Denis. |
| | Lawless, Billy. |
| | Lombard, Tim. |
| | Mulherin, Michelle. |
| | Nash, Gerald. |
| | Noone, Catherine. |
| | Ó Ríordáin, Aodhán. |
| | O'Donnell, Kieran. |
| | O'Reilly, Joe. |
| | O'Sullivan, Grace. |
| | Reilly, James. |
| | Richmond, Neale. |
| | Ruane, Lynn. |

Tellers: Tá, Senators Paul Gavan and Pádraig Mac Lochlainn; Níl, Senators Gerald Nash and Aodhán Ó Ríordáin.

Amendment declared lost.

8 o'clock

Seanad Éireann

Motion agreed to. **An Cathaoirleach:** When is it proposed to sit again?

Senator Catherine Noone: At 10.30 a.m. tomorrow.

The Seanad adjourned at 8.05 p.m. until 10.30 a.m. on Thursday, 29 September 2016.