



DÍOSPÓIREACHTAÍ PARLAIMINTE  
PARLIAMENTARY DEBATES

DÁIL ÉIREANN

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

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# DÁIL ÉIREANN

*Dé Céadaoin, 29 Iúil 2020*

*Wednesday, 29 July 2020*

Chuaigh an Leas-Cheann Comhairle i gceannas ar 9.30 a.m.

*Paidir.*

*Prayer.*

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## **Financial Provisions (Covid-19) (No. 2) Bill 2020: Order for Second Stage**

Bill entitled an Act to provide for the imposition, repeal, remission, alteration and regulation of taxation; to otherwise make further provision in connection with finance; to amend Part 7 of the Emergency Measures in the Public Interest (Covid-19) Act 2020 and otherwise make provision for supports to employers; and to provide for related matters.

**Minister for Finance (Deputy Paschal Donohoe):** I move: “That Second Stage be taken now.”

Question put and agreed to.

## **Financial Provisions (Covid-19) (No. 2) Bill 2020: Second Stage**

**Minister for Finance (Deputy Paschal Donohoe):** I move: “That the Bill be now read a Second Time.”

I am pleased to have the opportunity to introduce the Financial Provisions (Covid-19) (No. 2) Bill 2020 to the House this morning. This Bill provides the legislative basis to introduce the tax measures that the Government announced as part of the €7.2 billion July jobs plan last week. This plan is the next stage in our response to the Covid-19 crisis and aims to get businesses back on their feet, ensuring as many people as possible can return to work in accordance with public health and Government advice.

This plan contains a range of tax, loan and expenditure measures designed to directly support business at all levels of the economy that have been negatively impacted by this disease. The plan is the first step in this Government’s mission to reignite and renew the economy following the impact of Covid-19. It aims to build on the recovery to date and the measures previ-

ously announced with a further €4.3 billion of spending on supports that will have an immediate impact on businesses, employment and economic activity. The overall value of the package, including tax changes and the opening of the €2 billion Covid-19 credit guarantee scheme, is approximately €7.2 billion.

Today's debate is focused on the tax measures that will have a net cost of approximately €1 billion. The total value of the tax package is €1.4 billion but the amendments relating to corporate tax losses will be cost-neutral to Exchequer as they are an acceleration of the ability of companies to avail of a relief that already exists in the tax code. Importantly, however, this measure will release up to €450 million of liquidity in the current year to companies currently facing significant cash flow difficulties at a point when they most need it. In addition to this, the employment wage subsidy scheme will cost an estimated €2.25 billion, guaranteeing substantial State support for worker wages through to March 2021.

The Bill before the House today only runs to only 13 sections so I will briefly go through them individually. Section 1 is the standard definitions section common to Bills of this nature.

Section 2 makes changes to the existing temporary wage subsidy scheme, TWSS, to include individuals who return to work after maternity and other types of leave, those on apprentice and training courses, as well as changes to the subsidy amounts payable that I announced on 15 April. All of these and other necessary adjustments to the TWSS were previously announced and have been administered to date by the Revenue Commissioners on the basis of their care and management provisions.

The section also provides for the employment wage subsidy scheme, which will replace the temporary wage subsidy scheme. It is being introduced as an enterprise support that gives a subsidy to qualifying employers on the basis of the numbers of paid employees on the employer's payroll. This is an economy-wide support and open to all sectors. The primary qualifying criteria is that the employer must be able to demonstrate that in the majority of cases they are operating at no more than 70% in either the turnover of the employer's business or the customer orders received by the employer by reference to the period from July to December 2020, compared with the same period in 2019.

In this regard, given the importance of childcare to the reopening of the economy and also recognising the unique circumstances where the turnover of such businesses would be greater than 70% but the cost base would be considerably higher, the Government has decided that the key eligibility criteria would be waived for this particular sector.

The level of subsidy the employer will receive is per paid employee. For every employee paid more than €203 gross per week, the level of subsidy is €203. For every employee paid between €151.50 and €202.99 gross per week, the subsidy is €151.50. A nil subsidy is payable for employees paid less than €151.50 or more than €1,462 gross per week; this latter amount is consistent with the eligibility ceiling which exists in our current plan. The scheme will be in place until the end of March next year. It is estimated that it will cost €2.25 billion, comprising €1.35 billion in 2020, inclusive of seasonal workers, and €900 million next year.

Sections 3 to 5, inclusive, together provide a legislative basis for the tax "debt warehousing" scheme announced by the previous Government on 2 May. No interest will be charged on the tax debts for the initial Covid-19 restricted trading period or 12 months thereafter. Interest will be charged at the reduced rate of 3% per annum after that and businesses will also be required

to comply with requirements relating to tax returns for the duration and pay other liabilities in full and on time. Otherwise, the normal 10% per annum interest will apply.

Section 6 will add a new interest provision in chapter 5 of Part 47 Taxes Consolidation Act to reduce the interest rate applying to agreed repayments of all tax debt to approximately 3% per annum rather than 8%, 10% or 11.75% per annum depending on tax head where agreement has been reached between the taxpayer and the Revenue Commissioners prior to 30 September 2020. The measure will assist taxpayers who are in difficulty with tax payments. The purpose of this section is to provide support to taxpayers experiencing difficulty with their liabilities by reducing the interest rate applied to agreed repayments of all tax debt where agreement has been reached prior to 30 September 2020.

Section 7 relates to the stay-and-spend incentive. This will incentivise taxpayers to support registered or accredited providers of accommodation, food or both during the off-season, thus providing support to a particularly vulnerable sector that continues to be constrained by public health limitations. The incentive will allow provide for a refund through income tax of 20% of the vouched cost, subject to a minimum spend of €25. In other words, it offers a maximum tax credit of €125 per person or €250 for a jointly-assessed couple. This innovative measure will be a valuable form of off-season support for the Irish hospitality sector. It provides relief on accommodation and food, including soft drinks but not alcohol. Businesses must be registered or accredited as appropriate and must have tax clearance if registered for VAT. Businesses will be obliged to register with Revenue to participate. It is estimated that this scheme will cost up to €270 million in total. It will run from 1 October 2020 to 30 April 2021, including over the Christmas period. It is designed to unlock the money people may have saved in recent months and encourage spending in the sector and in local economies. I hope and expect that this really important part of our economy will use its creativity and talent to market this opportunity and ensure its best use for businesses and customers. However, this should not be seen in isolation. The extension of the temporary Covid-19 wage subsidy scheme until the end of March 2021, and its extension to new or seasonal staff with effect from 1 July this year, the VAT change, the rates waiver, the reopening grants and a range of other supports will buffer and support businesses and the economy as we move through the remainder of 2020 and into next year.

Section 8 amends the help-to-buy scheme to stimulate demand from first-time buyers for new homes in the housing market, to encourage house completions and to assist first-time buyers in accumulating a deposit for a new home. The level of support will be increased to the lesser amount of €30,000 from €20,000, to 10% from 5% of the purchase price of a new home or self-build property or to the amount of income tax and deposit interest retention tax, DIRT, paid in the four years before the purchase or self-build. The additional relief will be available immediately and will apply to applicants who sign a contract for the purchase of a new house or make the first drawdown of the mortgage in the case of a self-build in the period from 23 July to December 2020. Receipt of the additional relief is not dependent on completion before 31 December. It will expire at the end of this year. All other parameters of the scheme will remain the same.

Section 9 provides for increases in the allowable expenditure under the cycle-to-work scheme. The allowable expenditure will be increased from €1,000 to €1,500 in respect of e-bikes and €1,250 in respect of bicycles. The scheme currently allows the purchase of a new bicycle every five years. This will be amended to four years.

Section 10 provides for a new once-off income tax relief measure that will benefit self-em-

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ployed individuals who were profitable in 2019 but who, as a result of the Covid-19 pandemic, are loss-making in 2020. This will provide a much-needed cash flow boost in the current year. The estimated cost of this once-off proposal is €150 million in 2020.

Section 11 provides cash flow supports to previously profitable companies that are now experiencing losses as a result of public health measures. It allows companies to estimate their current-year losses and to make an early claim to carry back 50% of that loss to offset against taxable profits of the prior year. This will generate an immediate refund of some or all of the corporation tax paid for that year. Under normal rules, this would not take place until up to nine months after the end of the loss-making year when tax returns are due for filing. As it is based on projections of the expected losses for the full accounting year, the carry-back is limited to 50% of the estimated loss. The balance of the loss will be available for carry-back in due course under normal rules, when accounts have been prepared after the company's year end. The measure has no net cost in the medium term as it is an acceleration of a relief that already exists in the corporation tax code. However, it will release up to €450 million of valuable liquidity in the current year to companies currently facing significant cash flow difficulties at a time when they most need it.

Section 12 provides for the standard rate of VAT to be reduced on a temporary basis from 23% to 21% for the period from 1 September 2020 to 28 February 2021. It is estimated that this reduction will cost some €440 million in total, €160 million in 2020 and €280 million in 2021. This is one of several measures to aid economic recovery in the short term and to help ensure growth in the future. It cuts across a wide range of economic activity, including the retail sector, the motor industry and the hospitality sector, and, as such, a broad range of businesses and traders will benefit. A reduction in the 13.5% VAT rate would have been more limited in its impact. In the context of the prevailing public health advice, other restrictions necessitated by the social distancing rules and the shortage of overseas visitors, a reduction in the standard rate is the appropriate policy response.

Section 13 is another standard section. It relates to the Short Title of the Bill. There is no commencement provision and the Bill will become effective on enactment and signature by the President.

This is a short Bill but it is a crucial element of the next phase of the Government's response to the Covid-19 crisis. It sets out the budgetary measures that will support jobs and our economy and help our country emerge from the period when the economy was shut down. The Irish people have shown remarkable resilience throughout this crisis and now businesses are reopening and taking workers back onto their books. However, those businesses need our help and support. The measures in this Bill will assist in this process and supplement the other measures the Government has taken to support businesses. The Bill introduces new support measures and adapts existing ones to meet the needs of our people and our economy as we continue to make progress in restricting the impact of this disease, reopen our country, help business recover and allow workers to go back to work. These are far-reaching measures involving truly massive support but they are absolutely necessary. I commend the Bill to the House.

**Deputy Pearse Doherty:** Tá sé i gceist agam mo chuid ama a roinnt le mo chomhghleacaithe, na Teachtaí Mairéad Farrell, Conway-Walsh agus Gould. Ba mhaith liom mo bhuíochas a chur in iúl leis na oifigigh sa Roinn Airgeadais a ghlac am leis an mBille seo a phlé liom. Ós rud é nach mbeimid ag dul fríd an ghnáthphróiseas - níl bheidh an coiste ag scrúdú na reachtaíochta - tá sé tábhachtach go bhfuil an teagmháil sin idir oifigigh agus urlabhraithe. Cuirim fáilte roimh

an gcabhair sin agus cuirim mo bhuíochas in iúl do na hoifigigh arís.

I welcome the publication of this Bill and the fact that the Minister's officials were able to engage with members of the Opposition, including myself, to brief us on it. Like many other items of legislation, this Bill is not going through the normal process of pre-legislative scrutiny. As the lead Opposition party, Sinn Féin recognises the necessity of facilitating an expedited process through the Houses of the Oireachtas for a wide range of legislation. This is in spite of the difficulties we may have with certain sections of the Bill. Given the pandemic and, particularly regarding this legislation, the situation in which many businesses find themselves, it is appropriate to waive the normal processes of legislative scrutiny. That has put pressure on us in respect of timelines for tabling amendments and so on, but we have made the best fist of it. We will deal with that on Committee and Remaining Stages.

I will comment on some but not all of the measures provided for in the legislation. It is a mixed bag. There are very positive measures, some of which we argued for, there are some that are very welcome and there are others that are not welcome. I would like to comment on the spirit in which Sinn Féin has considered this and other legislation introduced by the Government since the outbreak of Covid-19. Sinn Féin has provided robust and constructive opposition in the Thirty-third Dáil. Certain provisions of this legislation are proof of this. The temporary wage subsidy scheme was introduced on 26 March to protect incomes, support businesses and maintain a relationship between an employee and his or her employer. While there were defects in the scheme rolled out by the Government, Sinn Féin supported its objectives and the legislation that underpinned it, the Emergency Measures in the Public Interest (Covid-19) Act 2020.

Since the scheme began, Sinn Féin has recognised elements of the scheme that were deficient. We worked with the Government at the time to have them addressed and the legislation before us is proof of that. As early as 2 April, we called for a minimum payment of €350 to be introduced for the wage subsidy scheme to protect workers' incomes further and to address a discrepancy in the scheme whereby workers earned less under the scheme than if they had been unemployed, undermining its very objectives. The Minister and I corresponded on this issue, with the Government responding by increasing the rate of subsidy from 70% to 85% from 4 May. Section 2(1)(d) of the legislation before us will provide for that change in legislative effect.

Similarly, while others claimed that women returning from maternity leave could not access the scheme without legislative change, Sinn Féin argued that the Government could and should include these women on the same administrative basis as the increase in subsidy for low-paid workers, with legislative change further down the line. On 29 May, the Government did just that following a recommendation, which we very much welcomed. Section 2(1)(b) of the legislation before us will provide for this change. These very provisions speak to the constructive role that Sinn Féin has played during this period, standing up for workers and families.

More broadly, the legislation will provide for the many measures announced as part of the July stimulus package. While a number of these measures are welcome, it should be noted that they come very late for small businesses throughout the State. It must be said that, in many regards, the package falls short. While not provided for in this legislation, the Government has opted for a ratio of approximately 4:1 of debt solution to grants, instead of grants for small businesses. While the Government adopted our approach to the removal of the portfolio cap for the credit guarantee scheme to facilitate lending for SMEs, the Minister for Business, Enterprise and Innovation has previously stated it will not be ready until September or October, with inter-

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est rates of between 3% and 4% on loans after a short period. In my view, that is too slow and too costly for some businesses on the brink of permanent closure. It is also the case that while the grant scheme has been enhanced, grants for companies can still be as low as €4,000, which is not the type of ambition that many of the companies had hoped for.

I turn to a couple of other sections in the Bill. While the deadline for the temporary wage subsidy scheme should be extended from 1 September to later in October, which we tabled an amendment for, I am very concerned that those under the new scheme who are earning below €151.50 will get no support from the Government. This will create an incentive if a company has to let a worker go. Obviously, it will be the low-paid, minimum wage worker who works fewer than 15 hours, where the employer gets no support from the State, instead of any of the other employees, who will have been subsidised by the State. This can be rectified by ensuring there is an 85% contribution from the State for these categories of workers. I also believe there is a missed opportunity here because the legislation will not allow the Minister, according to my reading, to target certain sectors. We have tabled an amendment that will allow the Minister to vary the rates for categories and groups of workers, such as in the hospitality industry, as opposed to that of retail or others, depending on how each category progresses over the coming weeks.

On the stay and spend initiative, a good proposal put forward by Sinn Féin related to a hospitality voucher. The idea of a tax credit is cumbersome, as is the idea that I could go for a meal in January and get a rebate in 2022. That will not give the incentive that is required. Almost one in three income earners will be excluded from this. We have seen from the ready reckoner that 711,000 people pay neither income tax nor the universal social charge and, therefore, will not be able to avail of the scheme, of a total of 2.4 million taxpayer units. That does not include others who are not income earners in the first instance, who are also excluded from the scheme, such as those who are on certain social welfare payments.

It is just ridiculous that the help-to-buy scheme will be extended. It makes no sense. This is intended to stimulate demand at a time when the supply is not there. Let us take, for example, the case of a self-build. An applicant has to draw down the first portion of the mortgage before the end of the year to apply for it, but to be able to do so means the site has to be cleared, the foundations have to be in place and the walls have to be built up to roof level. That is the standard practice. That means the applicant will also have had to have approval for the mortgage and to have applied for it. Anybody who has gone through that process will know that it takes much longer than six months to do all that. The only potential beneficiaries of this in respect of self-builds, therefore, will be those who have been approved a mortgage, have not drawn down the loan and will now get an additional €10,000.

We have already seen that property prices have been increasing overnight by €10,000 as a result of this measure. No impact assessment has been conducted to determine the effect of this policy on house prices. Mr. Lorcan Serr has stated: “The timing of this, which will stimulate demand when supply is being reduced, will likely lead to rising prices for the homes that do come on the market.” The Parliamentary Budget Office, which has already reported on the matter, stated it found that the scheme had been disproportionately availed of by high-income earners. That was the lower scheme. The new one will be worse again. In other words, it was largely out of reach of the vast majority of first-time buyers. The majority of help-to-buy purchases have been above the average price. The office also stated that more than 40% of those who used the scheme already had the 10% deposit and did not need the scheme to be able to purchase a house. This is €18 million that will go directly or indirectly into the pockets of developers, but

worse than that, it will increase house prices.

I welcome a reduction in the VAT rate on any day, especially given the high levels of the standard rate, but what we need in this country at this time is targeted initiatives. According to the Central Statistics Office, retail sales increased in June, despite many premises being closed. That is not to say that certain retail businesses do not need support, because they do, but what we needed desperately was a support for the tourism, hospitality, accommodation and food sector. That is missing in this legislation. We should be reducing VAT from 13.5% to 9% and stimulating that sector. It is where the lowest paid are, it is where the biggest hit has taken place, and it is the sector that will take the longest time to recover. I cannot understand why a reduction in VAT in that sector, which would be less than half of the reduction from 23% to 21%, was not considered or conceded by the Government. We have an amendment before the House that seeks to do just that. I hope that, given the low levels of money in the context of everything else, this measure in the region of €200 million will be considered. It could be a shot in the arm for the sector, its employers and its workers.

**Deputy Mairéad Farrell:** Caithfidh mé a rá go bhfuil mé buartha faoi todhchaí go leor de na ceantracha is iargúlta sa Stát seo. Bíonn na hoileáin amuigh ón gcósta ag brath ar turasóireacht, agus níl tionscal ar bith eile i mbailte beaga ar an gcósta. Tá siad ag brath ina iomláine ar thurasóireacht. Teastaíonn cinnteacht uathu go mbeidh airgead ag teacht isteach chucu láithreach. Is mór an trua í go bhfuil éiginnteacht fós ann i measc gnólachtaí agus teaghlaigh, fiú amháin tar éis seoladh an July stimulus agus an reachtaíocht seo.

I am concerned there is a lack of understanding of the economic reality of many families, as well as many communities. I think particularly of those businesses and the communities they sustain in areas heavily reliant on tourism. In concept, the stay and spend initiative is great but, unfortunately, the reality is way off the mark. It seems to be a copy of the Sinn Féin proposal for a voucher scheme gone wrong.

*10 o'clock*

The Government has said that about 2.8 million people will avail of the stay and spend initiative but once again people have been left out. Sinn Féin has pointed out that many people do not pay income tax because they do not have enough of an income to incur a tax liability. Some of the lowest paid workers in the State do not earn enough to pay income tax so they are excluded. The Government has said that the credit could then be set against the claimant's universal social charge liability but as the Department of Finance's own ready reckoner shows, an estimated 715,600 taxpayers do not pay either income tax or USC.

There is a large cohort of people who are very uncertain about their financial future, including people who are currently out of work due to the Covid-19 pandemic and are in receipt of the pandemic unemployment payment, people who are working but are concerned that the company they work for may no longer be viable and small business owners who are deeply worried that they will have to close their doors. We should be realistic: waiting a year or two to claim back their tax is not an option for these people. They do not have money in their back pockets now, and even if they did, they do not know when they might need it for an emergency as there is so little financial security. Not only would a voucher scheme have allowed an immediate cash injection into local businesses, which in turn would have boosted the economies of many of our most rural and isolated communities, it would also have given much-needed relief to families, workers and all those who have struggled in recent months. They would have been

able to go for a day trip with their children, a meal in a restaurant or even a staycation.

Sinn Féin also proposed a VAT reduction targeted to the tourism and hospitality sector from 13.5% to 9%. This sector, on which many of the most rural areas in the west and on the offshore islands are reliant, is on its knees. They are so reliant on this sector because successive Governments have failed to provide the infrastructure and investment necessary to build indigenous businesses or attract other industries. There is poor road, sewerage and water infrastructure as well as zero broadband in many communities.

Under the terms of the revised restart grant, support will also be provided for enterprises that were unable to access the original grant scheme. I do not doubt that this support has come about as a result of many Members highlighting their concerns. It means that non-rateable bed and breakfast accommodation providers or sports businesses will be eligible for a grant payment of €4,000. Non-rated bed and breakfast accommodation providers will be eligible to apply through Fáilte Ireland, with local authorities being the avenue for these other businesses. However, there has been no clarity on when the application process will open. These businesses need to access these grants immediately but the websites of the Department of Business, Enterprise and Innovation, Fáilte Ireland and many local authorities merely say that applications will open in due course. Will the Minister give a date, perhaps in writing, for when the application process will officially open?

Teastaíonn cabhair uathu anois. Teastaíonn cabhair ó mhuintir na háiteanna seo chun na pobail seo a choinneáil ag imeacht ionas go mbeidh na pobail sna ceantracha is iargúlta fós ann nuair a bheimid in ann an tír a athoscailt i gceart, agus nuair a bheidh turasóirí ag teacht ar ais go hÉirinn. Nuair a thagann na turasóirí sin, ní theastaíonn uainn go mbeidh na bailte tréigthe leis na daoine agus na teaghlaigh óga imithe go Meiriceá, chun na hAstráile nó chun na hEorpa mar a tharla i gcás chuile ghlúin roimhe seo.

**Deputy Rose Conway-Walsh:** We welcome many of the initiatives and many of the things that have been done in the Bill. However, the Minister has not explained why the voucher scheme we proposed was not accepted. It would have been a much better way. I hope the Minister would be mature enough not to dismiss it out of hand just because it was a Sinn Féin proposal. I think it was the best proposal because it gave an immediate boost to people and businesses. The failure to adopt this proposal suggests that the Minister misses the gravity of the financial situation that many families are in. Telling someone that they can reclaim something at the end of 2021 or 2022 misses the immediacy of what is happening here and now. Even with the long duration, I am also concerned that many of the entitlements in terms of rebates are not claimed. Many go unclaimed and many people do not avail of the rebates to which they are already entitled. Will the Minister clarify if the rebates are given for those who choose to take their breaks in the North of our island? If that were not to be the case, it would very much speak to the folly of partition, given that we all live on one small island.

I am also concerned that the Government's plan excludes many low income earners, such as pensioners, parents and students. The employment wage subsidy scheme has excluded those earning less than €151.50. This Government will have been noted to date as the Government of social and economic exclusion. Many pensioners and low income earners will not be able to avail of the money to spend on their breaks, which is fundamentally wrong. One of my colleagues put it well recently when they said they could sit at one table and be able to get a rebate for what they were eating, but that would not be the case for someone else on another table. That is the stark reality. Another example of this type of exclusion is the Government's willing-

ness to enforce travel restrictions on some people. It is a very worrying path to go down.

The Minister should have listened to the hospitality sector and the supply chain because this affects not only the hospitality sector but also everyone who depends on it, such as the dry cleaners and the laundrettes. We should have reduced the VAT rate from 13.5% to 9% for a defined period to allow for the income reductions for the whole sector and those dependent on it.

I welcome what the Minister has done with the option for farmers to step out of income averaging. It will help somewhat although there are very serious challenges to the sector and other aspects of that need to be looked at. I think there is an opportunity for the Minister to do the right thing by accepting some of the very constructive Sinn Féin amendments to this Bill.

**An Leas-Cheann Comhairle:** There are 54 seconds left.

**Deputy Thomas Gould:** I will be very brief. I wish to raise the help to buy scheme. There is a significant error in the legislation. I was contacted by a woman, Susan Brackett, and her partner who signed a contract in January 2020 under the new help to buy scheme. Her husband, like many other people, will not get his quarterly bonus as a consequence of the pandemic. Susan was on the PUP but has now gone back to work, albeit on a reduced income. The Covid-19 crisis stopped work going ahead which means they will have to rent for an additional four months. Will it be possible to backdate the increases for those affected by the pandemic for four months? They are at a distinct disadvantage. I have been told by a man in a similar position, Dean Grainger, that an extra 5% would be life-changing money for the likes of his family or Susan's people. Quite a small number of people are affected by this anomaly, but the change I have mentioned would make a huge difference to them.

**Deputy Ged Nash:** The July stimulus, which was announced last week and is reflected in the measures we are considering today, was the first real test of the philosophy as well as the economic policies of this new Government. It was an opportunity to think and act big and to imagine a new economic model that would provide a better quality of life for all our citizens. It could have been a belated first step towards a renegotiated social contract, one that ensured that working people could access a better quality of universal public services in, for example, healthcare, housing and childcare.

Some of the measures contained in the announcement last week are welcome. It would be churlish to suggest otherwise. In particular, I welcome in principle the 2% VAT cut and the reformed temporary wage subsidy scheme, TWSS. The Labour Party proposed those two measures in our alternative set of July stimulus proposals. In those proposals, and as I always said we would do in this Oireachtas, we sought to be helpful by publishing a number of distinct propositions. If adopted, they would have better targeted our available resources in order to achieve better social and economic outcomes in challenging times for our society and economy.

We will judge the package announced last week and reflected in some of this Bill's provisions on five separate terms. First, is it big enough to make a real difference, not just to the economic impact of the pandemic, but in the possible event of a no-deal Brexit? I would say "No". Our analysis suggests that what we needed was a cash injection into the economy of approximately €10 billion. Second, will it create good, sustainable jobs, particularly for young people, who have been disproportionately impacted by the effect of the crisis? We do not believe it will, at least not to the degree it should. Third, will it create a new and fairer economic model? It looks like it will not. It is more a case of meet the new Government, same as the

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old Government. There is no discernible difference in the economic direction being charted. Fourth, will it help to reduce income and economic inequality? It will not, given the no strings attached loans, the continuation of the no strings attached TWSS and the evolution of the employment wage subsidy scheme, EWSS. Fifth, will it strengthen the public services on which we all depend, for example, health and housing? It certainly will not if the signature piece on housing - the amended help-to-buy scheme - is anything to go by.

We welcome the transformation of the TWSS into the new EWSS. As the Minister knows, I have set out some amendments that would see strict social and employment conditions attached to access to those schemes. We support the move to the EWSS. I have been raising this matter in the House and the media since April. It is a natural evolution of the scheme. There will be employers who require such support to take people on as they dip their toes back into the water over the next few months.

However, the EWSS and its architecture will actively promote and subsidise in-work poverty and the profits of some bad employers and sectors that are addicted to precarity. The protection of workers is the *raison d'être* of similar wage subsidy schemes across the EU, but it does not even seem to be an afterthought in Ireland. For example, it will be more lucrative under the EWSS for some employers and sectors - the hospitality sector has traditionally focused on precarious working conditions and involuntary part-time work - to hire two separate minimum wage workers on 15 hours each as opposed to one whole-time equivalent. How could this be of any benefit in the longer term to any worker in the sector? These are predominantly younger workers and women, with a 2019 report from the Department of Public Expenditure and Reform on the quality of employment noting that the incidence of involuntary part-time work was concentrated among these cohorts, including those in sectors such as hospitality and parts of the retail sector. As such, it is not surprising that Ireland has more than 100,000 people in forced part-time work. People are underemployed simply so that employers with pooled labour have flexibility while workers are left with low pay and too much uncertainty.

Despite this, we now have a State-funded taxpayer bailout that will be taken up in large numbers by the hospitality sector, a sector that has refused to engage with the joint labour committee, which was a mechanism legislatively provided for in the 2012 Act to seek to set a minimum of pay and conditions in order to change the low-pay and precarious reality of those workers. According to an ESRI report published this week, those workers are the most at risk of Covid-19 and conditions that may cause increased complications.

Let us call a spade a spade. This is cash without conditions. It is a missed opportunity for the State to use its leverage to help get better outcomes for everyone. Instead of taking this opportunity to introduce reforms in low-paid sectors and move to a model based on high-quality services and higher levels of pay, it seems the Government has again chosen the low road, but now we expect taxpayers and workers to foot the bill. It is a case of us being back to the view that any job will do and at any cost.

As colleagues in Sinn Féin have asked, I wonder whether any of those who work in this sector will be able to afford the proposed staycation subsidy. Those who will predominantly benefit from that policy are the better off and, of course, the hospitality sector, which has to a large degree shown a blatant disregard for workers time and again. Not only will this dead weight policy increase prices for regular customers, but it could be a lose-lose situation all around for ordinary families and workers.

Fianna Fáil's dead weight help-to-buy policy is another Government giveaway to those least in need. It will simply push up developers' profits by using the taxes of ordinary people to subsidise home purchases. The Parliamentary Budget Office's analysis made that clear last year, but the Government has still increased relief under what is a failed policy in the middle of a pandemic, and all because of Fianna Fáil's ongoing obsession with and fetishisation of developers. What we really needed was investment in public and affordable housing to be fast-tracked, which would also have created badly needed jobs in construction.

I will briefly touch upon the bizarre increase in the cycle-to-work scheme, a sop to ABC1 greens. There is no economic rationale whatsoever for the increased limits proposed in the Bill, especially at this time. As a brief from the Department of Finance has shown, this will simply increase the number of people in the higher tax bracket availing of the scheme. It seems to be yet another policy on the hoof, one more about pleasing some Government partners than having a sensible stimulus policy. There is an incoherence in this matter. I would be interested in seeing what the average price of a bicycle is under the existing scheme, or even of a new bicycle. I am not sure who buys a so-called ordinary bike worth €1,250. Maybe if they are preparing for the Tour de France, but certainly not people who are commuting to work in Dublin and towns like Drogheda and Dundalk. This shows how out of touch some in the Green Party are with ordinary people when it comes to climate transition. They should instead be getting the basics right, for example, investing in the public bicycle scheme, which the Labour Party first introduced in Dublin under the then mayor, Mr. Andrew Montague. The measure in the Bill is yet another dead weight policy and taxpayer bailout of those least in need. It seems that there is one dead weight policy for every coalition partner.

Instead of change, we have seen a July stimulus package that continues to give cash without conditions to those least in need. It is a missed opportunity to change and reshape Ireland for the better. The Labour Party amendments, which I will speak to in detail later, seek to address some of those deficiencies in the Bill, particularly those pertaining to the EWSS, which is the most costly of the proposed measures at more than €2 billion. I agree with the Minister that the EWSS is necessary - it will be an important support for employers and workers - but it needs to be tweaked to ensure that we use this opportunity to shape a better outcome for working people and our country in the longer term.

**Deputy Róisín Shortall:** I welcome the opportunity to speak on the Bill. It provides for expenditure of in excess of €5 billion as well as some €2 billion in loan guarantees, and comprises 50 measures. It is very much a mixed bag. A number of elements of the plan are to be welcomed but I would seriously question a number of others. I welcome the support for the sectors that have been most impacted by Covid-19, particularly the hospitality industry, which has undoubtedly taken a huge hit during what is normally its very profitable season. The implications of that for many workers are enormous, not just for those employed in the sector itself but also for all of the spin-off jobs that come with a thriving tourism industry and hospitality sector. Even as things are opening up at the moment, from a Dublin perspective things are incredibly slow in the city centre. It is welcome that there has been some improvement in activity levels in local facilities, bars, restaurants and so on but certainly in the city centre, things are desperately slow and it will take quite a bit of time before they pick up again.

I welcome the support for employers and employees who have been struggling as a result of this virus, particularly our SMEs, which are so important to the domestic economy. It was interesting to look at the tax figures that were released a couple of weeks ago. The multinational sector and particularly the tech and pharmaceutical sectors have actually been doing well

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in the context of the virus. Many of those high-paying jobs are continuing to return significant amounts in income tax, whatever about corporation tax. Income tax receipts were relatively healthy considering what the country has come through in recent months. Clearly the SME sector and our own domestic economy have taken the brunt of the impact of the pandemic. For that and many other reasons which we have been talking about for some time, it is really important that there is some equivalence in terms of attention and supports for domestic SMEs relative to the enormous support and attention paid to the multinational sector.

It is crucial to ensure that the supports being put in place for domestic businesses and the hardest-hit sectors get money into the pockets of those who most need it effectively and efficiently. That is not necessarily the case in respect of the various measures. It should be the predominant, driving objective in this regard but I question a number of the decisions that have been taken. The employment wage support scheme is the strongest pillar of the July stimulus. It is good to see the temporary wage subsidy scheme converted into a longer-term plan. It makes absolute sense. If we can support workers with significant subsidy in their pay but also target funding to the recruitment and retention of employees in the companies affected, the scheme is the most sustainable way of doing this. It certainly gives significant support to employers.

Unemployment has a serious impact on people's self-worth and mental health and causes diminished quality of life. That is why it is so critical to ensure that people are facilitated in remaining connected to their original jobs, if possible, and to the workforce. For that reason, one must question the controversy in recent days over the Government's action in respect of the pandemic unemployment payment, PUP. To a large extent, that works against the objective of keeping people connected to their original job or company. A scheme supporting income keeps people employed, skilled and earning, which is a critical step in the direction of a more humane, person-centred economy. I would welcome a long-term version of this scheme which would provide a permanent buffer between a business being a success and unemployment for workers. Consideration should be given to the German example, for instance. I hope the Minister will look at that in the longer term.

I refer to the area of debt warehousing and reduced interest rates on tax debts. There is no point in placing further undue hardship on a business which has been severely negatively impacted in these rare circumstances. These are not normal times and they do not call for the normal approach to tax debts. I support the measures proposed under debt warehousing and reduced interest rates for tax debts to alleviate the pressure that some businesses are now under as a direct result of Covid-19. The hospitality industry and especially accommodation and food businesses which are targeted by this scheme have been among the worst impacted in this crisis.

The "stay and spend" proposal is a targeted, sector-specific measure and therefore is a better approach than the general VAT cut also provided for in the Bill. However, there are still serious issues from an economic perspective. The tax credit is structured in a way that rewards people who can spend more over those who can only spend a little or cannot spend at all. It is inherently unequal. It is not clear why this scheme is set up as a tax break rather than a voucher system when we know one third of the population will not benefit at all from a tax-back scheme. A voucher to the same value as the tax-back scheme, €125, could have been provided to every eligible person. That would have allowed far greater uptake by lower-income households while still preserving the same benefit for higher-income households. It would have been much more equal and fair. There is a further need to ensure that submitting receipts is easy and straightforward. It seems to be an extremely complicated and difficult system from a compliance perspective but also from the point of view of people who avail of it. Of course, they will not get any

tax back for over a year. Accommodation must be registered with Fáilte Ireland to qualify for the scheme. I urge the Government to ensure there is clear information about registered accommodation for the public in order that they can easily follow the rules of the scheme. Overall, it does not seem to make any sense to do it this way. The Minister has not explained why he has taken this approach. A voucher scheme would be much fairer. It could be introduced straight away, which is when the hospitality and tourism industry needs the boost. We are talking about a July stimulus but it is actually a September stimulus to a large extent. The scheme excludes most pensioners, who are not paying tax, as well as people on welfare payments, disability allowance, and the one third of workers who do not pay tax. A large number of people are excluded from the scheme. It does not make any sense whatsoever. When he is responding, the Minister might just explain the thinking. I do not understand it. There was an opportunity to ensure there would be a fair system that would apply to everybody equally, would not advantage high earners over everybody else and that would provide an immediate fillip and stimulus to the hospitality and tourism industry. The way it has been done is deeply unfair and far less effective than it might have been. How much time do I have left?

**An Leas-Cheann Comhairle:** The Deputy has only a few seconds as the debate has to be adjourned, but she will be in possession when it resumes.

**Deputy Róisín Shortall:** I appeal to the Minister again to rethink this scheme. She has time to do that given that her tax-back scheme does not come into operation until September or in the autumn. I am making a very strong appeal to her to reconsider because it excludes far too many people and it does not have the reach or impact it could potentially have if she took the other approach of a voucher.

Debate adjourned.

## **Ceisteanna - Questions**

### **Ceisteanna ar Sonraíodh Uain Dóibh - Priority Questions**

#### **Covid-19 Pandemic Unemployment Payment**

17. **Deputy Claire Kerrane** asked the Minister for Employment Affairs and Social Protection the number of persons, including the self-employed, who will face a loss in income as a result of reductions in the pandemic unemployment payment rate as outlined in the July stimulus; if the changes to payment rates were poverty proofed; and if she will make a statement on the matter. [19300/20]

**Deputy Claire Kerrane:** Will the Minister specify the number of people, including the self-employed, who will face a reduction in their pandemic unemployment payment, PUP, due to the changes in rates outlined in the July stimulus, and if those changes in rates were poverty-

proofed?

**Minister for Employment Affairs and Social Protection (Deputy Heather Humphreys):**

I thank the Deputy for raising this matter. The Covid-19 pandemic unemployment payment, PUP, was introduced as an emergency measure to meet the surge in unemployment which resulted from the effects of the coronavirus pandemic. From the outset, the payment has been made available to both employees and the self-employed. From a peak of more than 600,000 claimants, there are now fewer than 300,000 people claiming the payment. The latest figure is 287,000.

As part of the Government's July stimulus package announced last week, the pandemic unemployment payment has been extended to 1 April 2021. Changes have also been introduced to the structure of the payment to ensure that the payment not only continues to be a strong income support but that it is also fair and targeted.

From 17 September 2020 until 31 January 2021, the pandemic unemployment payment will be paid at three rates, linked to the previous earnings of claimants. We would expect that the number of people in receipt of the payment will have fallen further by mid-September when these changes will take effect.

For those who earn less than €200 per week, which represents 19% of the current claimants, they will remain on a rate of €203. For people who earn €200 to €300 per week, the rate of payment will be €250 per week. This will affect 23% of claimants based on the current profile of claimants. People in this bracket will still be receiving between 83% and 125% of prior earnings, or 105% of average prior earnings.

For people who earned more than €300, they will receive a weekly pandemic unemployment payment of €300 per week from mid-September. This will affect 58% of claimants, again based on the current profile of claimants. They will go from €350 to €300 per week, representing, on average, 65% of prior earnings.

The ESRI was asked to undertake a social assessment of the impact of the introduction of the proposed new rates from September 2020. The analysis considers the effects of the new PUP rates with reference to changes in household disposable income, family type and the impact upon poverty rates. The analysis indicates that the changes result in a very small reduction in disposable income at 1.4% and that the new PUP rates would increase the at-risk of poverty rates for everyone by 0.6 of a percentage point.

Other research undertaken by the ESRI examined the impact on family incomes of Covid-19 related job losses.

**Deputy Claire Kerrane:** I specifically referred to the self-employed in my question. I would appreciate it if the Minister could give me a figure on the number of self-employed people who will see a reduction when these rates change. I know from a reply to a previous parliamentary question I asked that approximately 15,000 self-employed people had their payment reduced from the €350 to the €203 when the first change was introduced. An issue I raised with the Minister yesterday and I raise again now is that the rate the self-employed are being paid on the pandemic unemployment payment is based on their 2018 tax returns. I again ask her if she will allow the self-employed to make a self-declaration to Revenue on their 2019 income to try to reflect better their actual income and ensure they do not lose out. I was also contacted by somebody the other day who works part-time and is self-employed. That person's payment has

been reduced to €203 and the only thing the Department is taking into account is their part-time employment, yet most of their income comes from the self-employed work. Where people are working part-time and are self-employed, can both be taken into account?

**Deputy Heather Humphreys:** I thank the Deputy. Where a person is self-employed, his or her gross average weekly income for 2018 is used to calculate the rate of the pandemic unemployment payment. That is because it is the last tax year for which verifiable data on self-employed income is available. The nature of self-employment is such that it is not possible for Revenue and for PRSI purposes to attribute self-employment income to any particular week, and earnings are assessed on a full-year basis. Any person who feels that the assessment of his or her earnings based on returns already submitted to Revenue is inaccurate can ask for a review of his or her case, with further details available on *www.gov.ie*. It should be noted that any person on the new rate of payment will be eligible to apply for the standard jobseeker's rate, which, for a two-adult household with one child, is €377 per week. Any person who is experiencing hardship may apply for support under the means-tested supplementary welfare allowance scheme also.

**Deputy Claire Kerrane:** The Minister might come back to me on that constituent who is working part-time, which is the income being taken into account with regard to his PUP rate, but he is also self-employed and that is the bulk of his income. I have contacted the Minister on that and I would appreciate a response.

On the new condition now introduced that people in receipt of PUP have to seek work, again, do self-employed people on the PUP now need to seek work? During the debate last night, the Minister said that the Department would take a common-sense approach, which I welcome, but how will that work? Is the Minister expecting the PUP recipients to contact her Department depending on whether their workplace has yet to reopen, and how that will work? Finally, I asked the Minister this question last night but I ask again if job activation schemes such as JobPath will be knocking on these people's doors, so to speak, looking for them to engage if they are in receipt of the PUP?

**Deputy Heather Humphreys:** I thank the Deputy. As I said last night, we have to take a common-sense approach to this because some sectors have not fully opened up yet. We will do that, and I have asked my officials to ensure that that sensible approach is taken for those who cannot return to work and who are waiting for their job to come back. If they work in a pub, and we hope pubs will reopen by 10 August, they will get that opportunity. However, we have to be realistic because some jobs will not come back and there is no point in waiting for the never ever. It is best that we help people to reskill, retrain and look at other jobs they can take up.

In terms of the self-employed, they are self-employed, and if their work is there to go back to, there is other assistance we can give them. There is a grant they can get to help them get back to work and to pay for expenses they may incur in trying to get their businesses back up and running. We have to take a sensible approach.

### **Community Employment Schemes**

18. **Deputy Sean Sherlock** asked the Minister for Employment Affairs and Social Protection her plans to extend the duration of community employment schemes due to Covid-19. [18550/20]

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**Deputy Sean Sherlock:** Can the Minister give me her perspective on community employment schemes? We know that 3,000 extra places were announced on State employment schemes in the July stimulus package. We are all receiving representations from individuals and from administrators of schemes who are seeking extensions to individuals' tenure on those schemes, which are adding exceptional value. Can the Minister give me her perspective on how the schemes will operate going forward?

**Deputy Heather Humphreys:** I thank the Deputy for raising this matter. The community employment scheme is an active labour market programme designed to provide eligible long-term unemployed people and other disadvantaged persons with an opportunity to engage in useful work within their communities on a temporary, fixed term basis.

In general, the period of participation on community employment is for one year. However, community employment participants who are working towards a major award or industry qualification can seek to extend participation by up to a further two years. During the current Covid-19 emergency, my Department continued to provide the necessary funding for community employment schemes while also introducing a number of contingency measures. These measures included the extension of all existing community employment participant contracts for the duration of the emergency.

Now that the country has begun the process of returning to normal operations and in keeping with the Government's Roadmap for Reopening Society and Business, the contingency measures have concluded and the recruitment of new community employment participants has recommenced.

Those participants who had their contracts extended during the emergency period are now finishing up on their schemes on a phased basis over the coming period and further extensions will not be granted.

The priority for my Department is to ensure that all employment and activation programmes have the best outcomes for participants. Places on these work programmes will continue to be available to support those who are long-term unemployed and furthest removed from the labour market while sustaining the role of community employment as an active labour market programme. While I appreciate that there are some participants who would like to stay on the scheme, the Deputy will appreciate that any extension would have a knock-on effect on others who wish to join the scheme.

**Deputy Sean Sherlock:** I appreciate the Minister's point and understand that one must allow for other people to come on to individual schemes. Will the Minister allow for individual cases to be made, where there is a solid case and where there is not a demand at a local level for an additional person or a replacement to come on to the scheme? Will she allow for some discretion if that business case for retention of an individual beyond the extension period is based on mitigating circumstances? There are schemes around the country which would benefit from the retention of individuals.

**Deputy Heather Humphreys:** I thank the Deputy. People wanting to stay on longer on community employment schemes has been the most frequent request I have received since becoming Minister. As the Deputy is aware I am new to this Department and will be looking at these issues. I want to get the balance right between getting people back to full-time employment while also recognising that for some people, it is going to be more difficult. I am aware of

cases across the country and in my own constituency where there are particular circumstances. I will certainly look at this but it is about getting that balance right.

**Deputy Sean Sherlock:** I appreciate the Minister's response and understand that one has to allow for throughput in these schemes, which we all accept. Deputies and Senators will have all received representations from administrators of schemes. If the business case is made and it stacks up to scrutiny, if there is no demand for another person to come onto a scheme and if the work being carried out has an exceptional impact locally, I ask the Minister to allow for some discretion and common sense, to use her own expression, and allow pragmatism to be built into the process. I accept the Minister's response on having some discretion. We have always operated in this country on the basis of making allowances for grey areas and human circumstances. Not being too prescriptive about matters would be very useful.

**Acting Chairman (Deputy John Lahart):** There is a call for common sense there for the Minister.

**Deputy Heather Humphreys:** Yes, I am a great believer in common sense. The only problem is that sometimes it is not as common as one might like. The issue is about getting the balance right. Extending duration could impact on opportunities for other people getting onto the scheme. I understand that some really good work is being done by CE schemes throughout the country in some many different areas, and we do not want to take away from this. Participants are doing a job they like and they want to continue doing that job and may not want to take that next step. The next step is to go on to another programme which will lead them into full employment. There are exceptions for people aged over 62 and 55 years of age, where some changes have been built in. I appreciate where the Deputy is coming from and I will certainly look at this. I will be meeting the community employment schemes representative body in due course on this matter.

### **JobPath Programme**

19. **Deputy Claire Kerrane** asked the Minister for Employment Affairs and Social Protection the status of the tendering process as part of the review of contracted public employment services; if there has been engagement between her Department and the JobPath providers to date in 2020; and if she will make a statement on the matter. [19301/20]

**Deputy Claire Kerrane:** Gabhaim buíochas leis an gCathaoirleach. Can the Minister provide an update on the tendering process as part of the review of contracted public employment services? Can the Minister state if she or her Department has had any engagement with the JobPath providers to date in 2020?

**Deputy Heather Humphreys:** I thank the Deputy for raising this further matter. My Department engaged with external consultants in December 2019 to review all current contracted public employment services, PES, including local employment services. The consultants' report, currently being finalised, will help inform the Government's approach on the future structure of all contracted PES. It is essential that we ensure all our public employment services are fit-for-purpose and provide value-for-money. This must be balanced against the pressing need to ensure that these key services are fully in place when needed by those who have lost their jobs as a result of the ongoing public health crisis.

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Any provision of contracted public employment services in 2021 is in the context of managing and responding to the labour market impacts of Covid-19. What is clear is the need to ensure we have sufficient capacity within the public employment service to provide a high quality service to help individuals back into employment.

Last week, as part of the July stimulus package, the Government announced that it would be investing an additional €43 million into the public employment service to enhance our capacity.

While I have not yet had the opportunity to meet any of the contractors, officials in my Department engage on a regular basis with all contracted public employment service providers, including the JobPath contractors, to discuss all aspects of contract monitoring and delivery.

**Deputy Claire Kerrane:** Gabhaim buíochas leis an Aire. First, can the Minister give any indication as to when the consultants' report will be completed and published in order that we and the Minister can examine it? I am glad she mentioned value for money. I ask that she look at JobPath and the costs associated with the scheme, if it is to be extended as part of what has been mentioned in the July stimulus, and focus on contracted services as part of getting people back to work. This time last year, 226,851 people had been referred to JobPath. Some of them had been referred three, four or five times. Some 51,548 of these people commenced employment, but only just over 14,000 had the employment sustained for one year. This time last year, JobPath had cost over €182 million and 6% of referrals had obtained employment that lasted for a year. I ask that JobPath be considered in the context of whether it offers value for money.

**Deputy Heather Humphreys:** The Deputy is correct. Some 287,000 people are still on the PUP. We hope that as the economy continues to reopen, more people will return to work. The unfortunate reality is, however, that not all of them will be able to return to the jobs they had before the onset of Covid-19. There are also 220,000 people on the live register, so my focus will be on supporting those individuals in getting back into employment. That is why, as part of the July stimulus package, the Minister with responsibility for higher education, Deputy Harris, and I announced a €200 million package that will be used to help people reskill and retrain. It will provide for up to 80,000 new training and education places, including an additional 35,500 places in the higher and further education sectors, with 45,500 new employment support places being created.

**Deputy Claire Kerrane:** Will the Minister outline clearly the engagement between departmental officials and JobPath providers? I appreciate that it is consistent. Have there been discussions about extending referrals to JobPath? I would appreciate an answer in that regard.

I raise this matter because I met representatives of the Irish Local Development Network recently, which has clearly demonstrated its capacity to take 150,000 client referrals through job clubs and local employment services. I really want to us to take a not-for-profit and community-based approach to job activation schemes. The real plus I see with the local employment service in particular but also with job clubs is that it is not just about getting a person into any job. It is about well-being and there are extra supports for people, especially as we come out of this Covid-19 emergency. We really need to protect these community-based and not-for-profit services. Will the Minister look at those? Has there been engagement between her officials and JobPath providers on extending referrals?

**Deputy Heather Humphreys:** As the Deputy knows, the Department engages external consultants. The report currently being finalised will inform the Government's decision on a

future structure. Once the report is ready, decisions will be taken on the best approach to ensuring we have the necessary capacity to ensure the public employment service can provide a quality operation. As I stated, my officials will come to me with a full report on that. When I have it, I will make a decision.

### **Covid-19 Pandemic Supports**

20. **Deputy Gary Gannon** asked the Minister for Employment Affairs and Social Protection the steps she is taking to address the disproportionate impact of the Covid-19 pandemic on disadvantaged communities; if her attention has been drawn to calls from an organisation (details supplied) to establish a special Oireachtas committee on poverty and inequality; and if she will make a statement on the matter. [19337/20]

**Deputy Gary Gannon:** This question pertains to the prevalence of poverty in this country, which has been exacerbated by the pandemic. Has the Minister heard the calls from the Society of St. Vincent de Paul, which has acknowledged that the experience of the 700,000 people living in poverty has been compounded by the pandemic? It has asked for a special task force to be set up to examine poverty and inequality. Is the Minister willing to accept those points?

**Deputy Heather Humphreys:** I thank the Deputy for raising this matter. My Department regularly engages with the Society of St. Vincent de Paul and I hope to meet some of its representatives very soon.

Life in Ireland has changed considerably over the past few months and many people in Ireland are living in very difficult circumstances. This is why my Department quickly rolled out supports like the Covid-19 PUP and, in conjunction with the Department of Finance and the Revenue Commissioners, the temporary wage subsidy as emergency payments to support those most in need. Research undertaken by the Economic and Social Research Institute, ESRI, examined the impact on family incomes of Covid-related job losses and found that 400,000 families would see their disposable income fall by more than 20% in the absence of policy measures such as the PUP. It is important to note that the PUP reduced the numbers exposed to such losses and these measures were also effective in cushioning families at the lower end of the income distribution from such losses.

In addition, the four-week extension of the fuel allowance payment provided over 369,000 households with additional help for their fuel costs. Funding for school meals was made available to schools to the end of the academic year and also for the summer period. The back-to-school clothing and footwear allowance is available to people receiving the pandemic unemployment payment to help them meet the expenses of the new school year.

Tomorrow I will attend my Department's pre-budget forum, at which I will have the chance to speak with groups representing the most vulnerable and disadvantaged in our society and hear their views on the priorities for the coming budget. This is an important part of the budgetary process and I am looking forward to a good discussion.

I reiterate the Government's commitment to the rigorous implementation of the Roadmap for Social Inclusion 2020-2025. This roadmap provides for a robust governance structure to ensure the implementation of commitments. Progress will be monitored on an ongoing basis through the social inclusion roadmap steering group, which includes two external mem-

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bers, Sister Bernadette MacMahon from the Vincentian Partnership for Justice and Dr. Patricia Keilthy from the Society of St Vincent de Paul.

The Deputy will appreciate that it is not my role to establish Oireachtas committees, I can assure him that I will continue to engage with the relevant Oireachtas committees on all matters relating to my Department, including issues relating to poverty and inequality.

**Deputy Gary Gannon:** This is a very specific matter regarding how we will confront the fact that poverty has been exacerbated during the pandemic. Poverty has a corrosive impact on people in every walk of life. We have had roadmaps but they have consistently missed their targets over the past ten years. What is being asked for by groups such as the Society of St. Vincent de Paul and other social justice groups is for special attention to be placed on matters of poverty and inequality. One group I am thinking of is that comprising one-parent families. As the Minister mentioned, one-parent families have benefited from the PUP but this group is the most statistically at risk of poverty. If we are telling the recipients of the PUP that they must actively seek work, we must realise that one-parent families cannot access childcare. How would a common-sense approach work for those in that cohort if they go to social welfare offices?

**Deputy Heather Humphreys:** The roadmap was approved by the Government on 9 January 2020 and published on 14 January. It really is a whole-of-Government strategy, with a five-year timeframe and a midterm review in 2022. The best way out of poverty is to get people into work, and that is a key focus of the additional funding for job activation measures contained in the €200 million stimulus package I spoke of earlier.

The official poverty data is produced annually by the Central Statistics Office from the survey on income and living conditions. The most recent data, from 2018, indicates a national consistent poverty rate of 5.6%. The 2019 data is likely to show an improvement due to an increase in incomes and the impact of recent budgetary measures. However, it is expected the 2020 data will see an increase in rates across the majority, if not all, of the official poverty measures.

**Deputy Gary Gannon:** I want to confront the old trope that the best way of getting people out of poverty is to get them into work. The Minister should tell that to the 160,000 people who were working and still experiencing poverty before the pandemic. Despite being in work, they still very much experienced poverty. The best way to get people out of poverty is to provide an appropriate social safety net so that when they struggle, the State will step in and support them.

The Minister indicated several times that some professions will simply not return after Covid-19. It is why there was a cruel amendment to the PUP that people must actively search for work. What professions do the Minister and her officials believe will not return?

**Deputy Heather Humphreys:** The economy is reopening and, as the Deputy knows, we hope the remaining businesses can open on 10 August. We are following public health advice so I cannot give the Deputy a timeline on when anything will open. It is all based on public health advice, which must be followed and which has served us well. We will base our decisions on that advice.

*11 o'clock*

EUROSTAT has recognised that the Irish tax and welfare system is the most effective in the EU at reducing poverty. As Minister for Social Protection and Minister for Rural Development

and the Islands, my focus is on ensuring that no person or community is left behind, regardless of where they are from. I will certainly work towards that. I look forward to working with the Deputy in achieving those goals because I am sure he is of the same opinion.

### **Jobseeker's Payments**

21. **Deputy Claire Kerrane** asked the Minister for Employment Affairs and Social Protection her plans to address the ongoing issue of 65 year old persons at retirement signing on for a jobseeker's payment for one year; and if she will make a statement on the matter. [19302/20]

**Deputy Claire Kerrane:** I would like to ask the Minister her plans to address the ongoing issue of 65 year olds being forced to sign on for a jobseeker's payment on retirement.

**Deputy Heather Humphreys:** The new Programme for Government - Our Shared Future proposes an early retirement allowance or pension for 65 year olds, paid at the same rate as jobseeker's benefit without a requirement to sign on, partake in any activation measures or be available for and genuinely seeking work. The new payment will be introduced as early as possible for those who are retired from employment.

I made this an immediate priority on coming into the Department and my officials are currently considering the design of the scheme and assessing the necessary legislation, ICT system requirements and administrative processes required to support the introduction of this payment.

Regarding the current position, it is hoped that in most cases Irish workers will continue to work up to State pension age. Where this is not possible, there are specific measures which apply to someone claiming jobseeker's benefit from a date after their 65th birthday. Social welfare legislation states that jobseeker's payments may be made until a person reaches pensionable age. If a person aged 65 has paid at least 156 weeks of pay-related social insurance, PRSI, contributions, he or she will continue to receive jobseeker's benefit until he or she reaches State pension age, even when that benefit exhausts.

Ordinarily, those in receipt of a jobseeker's payment must engage with my Department's activation process. These conditions do not apply to people aged 62 and older. However, they can still avail voluntarily of an array of supports which are available from my Department if they wish to return to work, training or education.

Special arrangements are also in place so that people in this age group, that is, those aged 62 and older, only have to register with their Intreo office once a year and so do not need to sign on. Additionally, their payments will be paid directly into their bank accounts if they wish. I trust this clarifies the matter.

**Deputy Claire Kerrane:** I thank the Minister. I acknowledge the commitment in the programme for Government and I am glad this will be a focus of her Ministry. That is welcome. However, all the commitment in the programme for Government does is change the name of the payment. I welcome the revocation of the requirement for those who go on jobseeker's payments at 65 to seek work. It was a very silly rule that expected people to go around with CVs at 65 years of age, after working for 40 or 50 years and paying 40 or 45 years of contributions. I am glad that it will be addressed and I hope the Minister will deal with it as urgently as she has said.

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As of last month there were 4,499 65 year olds on a jobseeker's payment. As I have said, some of these people started working when they were 15. At 65 they have worked for 50 years. I hope the Minister will acknowledge that providing for them through jobseeker's payments, as is the case today, is really inappropriate.

**Deputy Heather Humphreys:** I thank the Deputy. There is no statutory retirement age in the State. I recognise the need for a payment for 65 year olds who are required to retire early or choose to do so. I have directed officials in my Department to introduce the early retirement allowance or pension as soon as possible. Officials in my Department are assessing the legislative, technological and administrative issues. We must ensure a robust system is in place before that is rolled out. The State pension age will not increase to 67 next year. As the Deputy knows, I will be setting up a commission on pensions which will examine a range of issues, including contributions, calculation methods, sustainability, eligibility and intergenerational fairness issues.

**Deputy Claire Kerrane:** I thank the Minister. It is always said by Ministers, especially when we discuss the abolition of mandatory retirement ages, that there is no statutory retirement age in the State. We know that, but so many employment contracts stipulate retirement at the age of 65. There would not be almost 5,000 65 year olds on jobseeker's payments if the age of 65 was not contained in their employment contracts. That is the issue.

The Minister must also acknowledge the difference in payments. When a person retires they can fall from €400 or €500 a week to €203 a week on jobseeker's benefit. That is a difference of more than €2,300 a year. People are losing out financially from this. I am concerned that the new retirement allowance will be paid at the same rate as jobseeker's benefit and as such this will not be addressed.

Finally, will the Minister look again at abolishing mandatory retirement? My party brought forward a Bill on this and it was passed unanimously by the Dáil. People who want to remain at work beyond 65 should have that option.

**Deputy Heather Humphreys:** I agree with the Deputy that people who want to work for longer should be allowed to. Let us face it; we are living longer, we are healthier and we want to work. It is good for a person's health to continue to work. Many have said that those who work longer live longer. We certainly need to look at that. The commission will examine a range of issues when it is set up. I will await the findings of its report on the entire matter.

## **Ceisteanna Eile - Other Questions**

### **State Pensions**

22. **Deputy Mark Ward** asked the Minister for Employment Affairs and Social Protection if a person will be entitled to a State pension when they turn 66 years of age before a review is completed by the commission on pensions; and if she will make a statement on the matter. [17967/20]

26. **Deputy James Lawless** asked the Minister for Employment Affairs and Social Protection when the commission on pensions will be established; and if she will make a statement on the matter. [18964/20]

81. **Deputy Niamh Smyth** asked the Minister for Employment Affairs and Social Protection the status of plans to set up a commission to review the pension age; if the details of same and clarity will be provided in relation to the matter; her plans in relation to same; and if she will make a statement on the matter. [18472/20]

92. **Deputy Peter Fitzpatrick** asked the Minister for Employment Affairs and Social Protection when the required amending legislation to postpone the rise in the qualifying age for the State pension up to 67 years of age due to take place in January 2020 will be published in order to comply with the commitment in the programme for Government; and if she will make a statement on the matter. [19023/20]

**Deputy Mark Ward:** I am in the cheap seats in the back. The Government has decided to defer the issue of the pension age and commission a review. Before the review of the commission on pensions is completed, will a person be entitled to a State pension when they turn 66?

**Deputy Heather Humphreys:** I propose to take Questions Nos. 22, 26, 81 and 92 together.

I thank the Deputy for raising this issue. The Government stated in the Programme for Government - Our Shared Future that the increase in the State pension age planned for next year will be deferred. This will require the amendment of primary legislation. The Government will bring the necessary legislation before the Oireachtas later this year.

The public policy and social issues related to funding a sustainable and adequate State pension system are complex. We are therefore establishing a commission on pensions to examine a range of issues including contributions, calculation methods, sustainability, eligibility and intergenerational fairness. Intergenerational fairness concerns how the decisions we make will impact on the young people of today by the time they reach pensionable age.

The terms of reference for the commission on pensions are currently being developed and options for its membership are being considered. I will bring proposals in that regard to the Government as soon as possible. It is anticipated that the commission will be considering submissions from a wide range of stakeholders, including key NGOs in the area.

Once it has concluded its deliberations, the commission will report to the Government by June of next year. In the meantime, pending this report and decisions taken on its recommendations, this Government has clearly stated that the State pension age will remain at 66 years and will not be increased to 67 in January 2021 as currently legislated for.

This Government is acutely conscious of the need to consider the sustainability of the State's finances. However, this is not the only consideration when thinking of the State pension age. The State pension is the bedrock of the pension system in Ireland. It is extremely effective at ensuring that our pensioners do not experience poverty. The Government is committed to ensuring that this remains the case.

**Deputy Mark Ward:** I thank the Minister. Let us be honest. The Government has kicked the issue of the pension age down the road. It became such a hot potato during the February election that neither Fine Gael nor its coalition partners could handle it. Fianna Fáil flip-flopped

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on increasing the pension age to 67, while Fine Gael, as we heard a few moments ago, wanted to cobble together an idea for an early retirement allowance, which would have hit people in the pocket by up to €2,000 a year. There was no consensus from the Government. What Sinn Féin wanted to do was reduce the pension age back to 65 so that people who have worked for their entire lives can retire with the dignity they deserve. That is without the indignity of having to sign on for jobseeker's allowance for a year prior to going on the State pension or being forced into job activation measures.

When will the review be complete? Will the Government consider bringing back the State pension age to 65?

**Deputy Heather Humphreys:** To clarify, if someone reaches the age of 65 and has to retire for whatever reason, he or she does not have to sign on, as is the requirement for jobseeker's allowance. He or she has just to fill out an application form. Furthermore, such an applicant does not have to be actively seeking work and he or she will receive a payment of €203 for the duration of the year before going onto the State pension.

I too have been on the doorsteps and I also listen to people. We are taking a fresh look at everything, which is why we are setting up a commission. This is in the programme for Government. We have all signed up to it and we have collectively agreed to it.

**Deputy Mark Ward:** From personal experience, I have a different view on the matter. I would like to tell the Minister about my father, who started work at the age of 12, having left school very early, as was par for the course back then. He joined the Defence Forces at the age of 17 and served the State for 25 years, both here and abroad. He then, ironically, started working for the Department with responsibility for social protection, which he worked for up to the age of 65, when he retired last April. After spending 53 years working in the State, instead of being allowed to retire with dignity and with a State pension, my father was forced to go onto jobseeker's allowance for a year. That indignity was not unique to my father; there are thousands like him.

When a person reaches the age of 65, he or she should have a right to the State pension. For Sinn Féin, the idea that somebody would be forced to continue working until almost 70, or that people of 65 or 66 years old would be sent down to the dole queue, is absolutely disgraceful. Has the Government any plans or intentions to reduce the pension age back to 65, to allow people to retire with the dignity they deserve?

**Deputy Heather Humphreys:** I reiterate that that has been changed. If someone reaches the age of 65 and is going to retire, he or she must fill out one form and that is it. He or she will not be asked to sign on again and will receive the payment for the full 12 months prior to reaching the pension age at 66. That is an improvement.

Nevertheless, I accept what the Deputy is saying. For people who have worked all their lives, it was unfair that they had to sign on for jobseeker's allowance. That has been changed and such people will now be able to get that payment for a full 12 months. They do not have to be actively looking for work.

The pension age is currently 66. As I said earlier, we will be setting up a commission on pensions. This is a complex area. The commission on pensions will review the whole matter and I will then bring a report to the Government.

*Dáil Éireann*  
**Farm Assist Scheme**

23. **Deputy Brendan Smith** asked the Minister for Employment Affairs and Social Protection if insurance contributions will be credited to farmers for pension purposes for the time they were in receipt of farm assist; and if she will make a statement on the matter. [18806/20]

44. **Deputy Brendan Smith** asked the Minister for Employment Affairs and Social Protection if insurance contributions will be credited to farmers for pension purposes for the time they were in receipt of farm assist, which caused a break in their insurance contributions records; and if she will make a statement on the matter. [18805/20]

**Deputy Brendan Smith:** As the Minister will be aware, a cohort of people have reached, or about to reach, pension age, and they have been paying social insurance contributions towards a contributory pension. Now they have found that because their insurance record was broken while they were in receipt of the farm assist payment, they are now entitled only to a reduced contributory pension.

I believe that this is a small cohort of people. I am very anxious that those people who had to go on the farm assist payment because of reduced farm income should, for the periods they were in receipt of the payment, be given due recognition with contributions credited to their insurance record to ensure they are not all deprived of the full contributory pension.

**Deputy Heather Humphreys:** Currently, PRSI-credited contributions or credits are awarded to former employees only, to cover gaps in social insurance where they are not in a position to pay PRSI contributions, such as during periods of unemployment or illness. Self-employed workers do not qualify for credits as one social insurance payment per annum provides the full 52 contributions for that year.

The farm assist scheme was introduced in 1999 to provide income support for low-income farmers. It replaced the former smallholder's unemployment assistance payment, in line with the then arrangement for unemployment assistance, including the smallholder's unemployment assistance and the pre-retirement allowance. The non-welfare income of farm assist payment recipients was exempt from the payment of class S PRSI for self-employed workers. Recipients of the farm assist payment who had previously paid class S social insurance contributions had the option of making voluntary contributions to maintain their social insurance record, provided they satisfied the qualifying conditions to do so.

Since 1 January 2007, the exemption from class S PRSI has been removed and those self-employed persons receiving jobseeker's allowance or the farm assist payment are subject to class S PRSI as self-employed contributors on their self-employed income, provided their annual income is €5,000 or more. Any self-employed person, including farmers, with an annual income of less than €5,000 can make voluntary contributions to maintain his or her social insurance record for pension purposes, once qualified to do so.

A person aged 66 or over with insufficient PRSI contributions to qualify for a full State contributory pension may claim a State non-contributory pension if he or she has an income need. The maximum weekly personal rate is €237, which is more than 95% of the maximum State contributory pension rate. While it is means-tested, there are very significant disregards to the benefit of claimants and a significant majority of such pensioners are paid at the full rate. I hope this clarifies the matter for the Deputy.

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**Deputy Brendan Smith:** As the Minister quite rightly pointed out, the farm assist scheme was introduced in 1999. Deputy Ó Cuív, who is here, some others and I were strong advocates for changing the then smallholder's farm assistance payment because it was based on historical farm income. The farm assist scheme was quite rightly introduced to take account of present income circumstances. As we know, there can be a very sudden change in farm income circumstances, perhaps due to an outbreak of disease in a herd, a sudden drop in international prices for commodities or weather-related events, which can impact very severely on farm incomes.

The Minister mentioned the change in the PRSI exemptions in 2007. I am talking about the cohort of farmers between 1999 and 2007 who had a break in their insurance contributions due to availing of the farm assist scheme. They did not know that their record was broken. People generally understood that if someone went onto the social welfare payment, his or her insurance contribution would be maintained. I have spoken to accountants, predominantly small-scale ones such as the Minister would know from her two counties. They have said that in many instances, farmers came to them when they reached pension age and were horrified to learn that their insurance record was broken and that they did not have an entitlement to a full pension.

I believe, through my constituency work and from checking with other colleagues who deal with small-scale farm holders, that there is only a small number of people involved. They are being denied justice through not having the knowledge at the time or because they were never informed by the Department or the Revenue Commissioners that they needed to make a contribution while they were in receipt of the farm assist payment.

**Deputy Heather Humphreys:** The farm assist scheme is absolutely essential. There are farmers who benefit from it and need it to put bread on the table. I am absolutely committed to the scheme.

The Deputy is referring to a particular cohort of farmers who were in the scheme from 1999 to 2007 and I take his point. I am very new in this job but I would be happy to sit down with the Deputy and try to find some resolution. As he said, the number of farmers involved is not huge and I agree that they did not realise they had to make these payments. Some of them have visited my office. They did not have to pay tax so they may not have had an accountant to help them to send in returns and make contributions. I accept the Deputy's point. It would be useful if we could meet and examine the matter with my officials.

**Deputy Brendan Smith:** I welcome the Minister's approach. I would be glad to sit down with her and Deputy Ó Cuív to go through the particular lacuna in the legislation. This is a crunch time for this small cohort of people because they are approaching pension age. I hope we can make progress on the issue and ensure that these people are not denied their maximum pension contribution. As we know, they work very hard. In many cases, their incomes were below the living standard for many years, through no fault of their own. They worked very hard over the years and only availed of State assistance when absolutely necessary. Many were shocked to find when they reached pension age and filled out the forms that their insurance contribution records were broken.

**Deputy Heather Humphreys:** I would be happy to examine this matter with Deputies Smith and Ó Cuív to try to find a resolution for this particular group of people. As I said, I am new to the job. Sometimes decisions made in one area can have unintended consequences in other areas. I will arrange the meeting as soon as we can. I thank the Deputy for raising this matter.

**Acting Chairman (Deputy John Lahart):** We will move to Question No. 25 as the Deputy is not here to ask Question No. 24.

*Question No. 24 replied to with Written Answers.*

### **Social Welfare Schemes**

25. **Deputy Éamon Ó Cuív** asked the Minister for Employment Affairs and Social Protection the review she plans to carry out of the means testing of social welfare payments and payments under the community employment and rural social schemes to ensure means testing is not acting as a disincentive to saving money or to the increasing of employed or self-employed income; and if she will make a statement on the matter. [18538/20]

**Deputy Éamon Ó Cuív:** Since moving to the west many years ago and finding out about the means testing system, I have always believed it to be penal. We often speak of how the tax system can act as a disincentive to workers saving but it also fair to admit that the social welfare system does that more. I will give one example. In the case of most working age means tested payments, with the exception of disability, which I will discuss when we reach Question No. 28, any savings over-----

**Acting Chairman (Deputy John Lahart):** The Deputy should only introduce the question.

**Deputy Éamon Ó Cuív:** -----€40,000 are considered as if they generated an income of 20% per annum.

**Deputy Heather Humphreys:** I thank the Deputy for raising this matter. I understand the question seeks my view on whether the weekly payment rates for schemes such as the community employment, rural social and Tús schemes represent a fair and adequate incentive to a married person to participate in the schemes. My Department provides a range of social employment and training programmes that are targeted at long-term unemployed jobseekers and those most distant from the labour market. These supports include the community employment, Tús and rural social schemes. The rural social scheme provides local employment opportunities for low income farmers and fisherman. Deputy Ó Cuív is very familiar with the rural social and Tús schemes as he designed and introduced them as Minister for Community, Rural and Gaeltacht Affairs. I commend him on that initiative as I am very aware of the benefits that these schemes bring to communities throughout Ireland, in particular rural communities.

The aims of the community employment programme and the rural social and Tús schemes are to enhance the employability of disadvantaged and unemployed people by providing work experience and training opportunities for participants. The payment rates for participants on these schemes are based on the underlying value of their social protection payment plus an additional payment of €22.50 per week, with a minimum payment to each participant of €225.50 per week. In addition, a participant may be eligible for additional weekly payments in respect of any qualified dependent adult and for each dependent child, depending on the household composition and means.

Rural social scheme participants work 19.5 hours per week and the agreed hours are based on a farmer or fisher-friendly schedule. This is to ensure that participation on the scheme does not adversely affect normal farming or fishing activity.

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Participating on employment support schemes such as the community employment and rural social schemes also provides participants with an opportunity to pursue additional employment outside of the 19.5 hours required of the schemes. In the case of the rural social scheme in particular, it should be noted that scheme participants have other income from self-employment as farmers or fisherman.

**Deputy Éamon Ó Cuív:** If the Minister reads the question, she will see that it covers all means testing on social welfare schemes, community employment schemes and the rural social scheme. I presume she is aware that where a person on the jobseeker's allowance, for example, has income from self-employment other than farming, the Department means tests that self-employed income at 100%. In other words, if a person earns €30 a week from self-employment, he or she will lose €30 a week from the jobseeker's allowance. In the case of farmers, with the exception of the environmental schemes, for every €100 earned, €70 is taken back. The top tax earners in the country are not penalised like that. Does the Minister believe that is fair? Is it not time we looked at this again and introduced a much fairer system for people who have small incomes from self-employment on farms?

**Deputy Heather Humphreys:** I would be happy to sit down with the Deputy to discuss these schemes, which are good initiatives. If improvements are necessary, I would like to hear what they are. I will meet the Deputy with my officials to examine this issue and hear how he believes the schemes can be improved. I want the system to help people and to be fair and equitable. I do not want to see people disadvantaged.

**Acting Chairman (Deputy John Lahart):** There is an open door for the Deputy.

**Deputy Éamon Ó Cuív:** I thank the Minister for the very positive response. In the standard reply she provided, she implied that the rural social scheme is an activation scheme to help people get employment. That is certainly not the way the scheme was designed. It was designed as a supplementary income scheme in return for a substantial contribution to services in local parishes up and down the country by small farmers to supplement their income. It has been very successful in that regard.

Until Joan Burton was appointed Minister for Social Protection, people on the rural social scheme were entitled to the full basic entitlement, in other words, there was no penalty for having a farm because by definition all participants had a farm. Now we expect people to work for 19.5 hours per week for the generous sum of €22.50. This is not an activation scheme but a work scheme. Does the Minister believe that a rate of just over €1 per hour is recompense for the high quality work being done by these workers? Will she also discuss this with me when we meet because I would like to discuss the idea behind the scheme? It was definitely not an activation scheme; it was a work scheme in return for an income.

**Acting Chairman (Deputy John Lahart):** Another door for the Minister to open.

**Deputy Heather Humphreys:** The Deputy and I have worked on a number of issues to which we got very satisfactory resolutions. I am happy to go through these schemes with him. He will be able to give me valuable information. I want to work with people on examining issues and, where possible, improving them.

*Question No. 26 answered with Question No. 22.*

## **Child Maintenance Payments**

27. **Deputy Claire Kerrane** asked the Minister for Employment Affairs and Social Protection if her attention has been drawn to the difficulties faced by lone parents in terms of child maintenance payments; if reform in the area will be a priority; if so, the timeline for such reforms; and if she will make a statement on the matter. [19007/20]

**Deputy Claire Kerrane:** Is the Minister aware of the difficulties being faced by lone parents when it comes to the collection of child maintenance payments? Will reform in this area, as indicated in the programme for Government, be a priority for her?

**Deputy Heather Humphreys:** I thank the Deputy for raising this issue. I am conscious that the Covid-19 public health restrictions have added to the strain on all parents, and lone parents in particular. While my colleague, the Minister for Justice and Equality, has lead responsibility for maintenance issues, my Department has moved swiftly to address issues that have been raised regarding maintenance for lone parents as a result of the pandemic.

At the outset of the pandemic, my Department ensured that the pandemic unemployment payment could be paid concurrently with certain social welfare payments, including the one-parent family payment and the jobseekers' transitional payment. My Department has also simplified the system for lone parents to declare the non-payment of maintenance. This ensures that lone parents who are not receiving maintenance do not have to wait until the court order is changed to get their one-parent family or jobseeker's transitional payments reassessed. This measure aims to ensure that lone parents in receipt of these schemes do not experience major income losses due to their maintenance payments ceasing.

Regarding longer term reform, my predecessor established a child maintenance review group to examine a number of issues relating to child maintenance. Specifically, the group is tasked with examining whether there is a case for the establishment of a child maintenance agency. The group is being chaired by former Circuit Court Judge Catherine Murphy. The programme for Government reasserted the commitment by the Government to be guided by international best practice and the findings of this review.

The purpose of the child maintenance review group is to consider and make recommendations on the current treatment within the Department of Employment Affairs and Social Protection of child maintenance payments, the current provisions relating to the liable relatives regarding child maintenance, and the establishment of a State child maintenance agency. It is envisaged that the group will undertake a consultation exercise with representative groups and the public as part of its work. The group will be holding its first meeting in the coming weeks and it is intended that it will submit a report to me within 12 months.

**Deputy Claire Kerrane:** I acknowledge the commitment in the programme for Government to reform our child maintenance system. My party tabled proposals in 2018, and a revised version in 2019, on establishing a child maintenance service, which is badly needed. Lone parent families feature too highly in rates of consistent poverty, deprivation and being at risk of poverty. They need to be considered. Evidence shows that the payment of maintenance can make a difference when it comes to poverty. As such, I welcome the Minister's commitment in that regard. I appreciate that this interlinks with the Department of Justice and Equality, but I see no reason it could not be done if the two Departments worked together. Will the Minister examine Sinn Féin's proposals on establishing a child maintenance service similar to the one

that works well in the North?

**Deputy Heather Humphreys:** There will be a North-South Ministerial Council meeting on Friday and I will be happy to hear from my counterpart in Northern Ireland as to how its child maintenance agency works. I thank the Deputy for that suggestion.

This is a complex issue. As the Deputy knows, parents have a responsibility to pay maintenance for their children. However, some do not pay. I saw that at first hand when I worked as a manager of a credit union, where parents - mainly women - were down at the breadline because they could not get their maintenance payments. It was a very difficult time for them. As such, I am glad that the review group has been established and I look forward to its findings. I am happy to work with the Deputy on this matter. It is something that impacts on women in particular. I want to see improvements in the area.

**Deputy Claire Kerrane:** I take it from that that the Minister will examine our proposals. I am happy to furnish her with a copy of them. They have been published twice in recent years.

There are two issues with child maintenance. First, where those payments are actually made, they are viewed as household means for many social welfare supports. That is wrong and the Minister needs to examine the matter. Child maintenance should be viewed as a payment towards the child's upbringing, not as household means for social welfare supports that are badly needed by lone parent families.

Second, the Minister mentioned the liable relative in her response. The liable relative is pursued by her Department when recouping costs under the one-parent family payment, but he or she is not pursued for child maintenance. The issue is firmly left with the Courts Service, which is no place for a lone parent. Nine times out of ten, lone parents will not even bother going down the court route because they do not want to be in the court system. There are no statutory guidelines on how maintenance should be paid. It is left up to the judge on the day. If the non-custodial parent does not pay the maintenance order, it is on the lone parent to pursue the matter. That is too much for a lone parent. We need to support lone parent families.

**Deputy Heather Humphreys:** The review group will examine the treatment within the Department of Employment Affairs and Social Protection of child maintenance payments, the current provisions relating to liable relatives regarding child maintenance, and the establishment of a child maintenance agency. There are very experienced people on the group and I look forward to receiving their report in due course.

## Disability Allowance

28. **Deputy Éamon Ó Cuív** asked the Minister for Employment Affairs and Social Protection her plans to change the rules in respect of the treatment of savings for those on disability allowance; and if she will make a statement on the matter. [18539/20]

**Deputy Éamon Ó Cuív:** We are back to my old hobby horse, that of means testing. There are people who are so disabled from birth or an early age that they will never be able to get employment or make social welfare contributions. The only social welfare payment open to them is the disability allowance. The way that income, capital and savings are assessed against these people is unfair. I would be interested to hear what the Minister intends to do to reform

this system.

**Deputy Heather Humphreys:** I thank the Deputy for raising this matter. The system of social assistance supports provides payments based on an income need. The means test plays a critical role in determining whether an income need arises as a consequence of a particular contingency such as disability, unemployment or caring. This ensures that the recipient has a verifiable income need and that resources are targeted at those who need them most. The means test takes account of the income that a person or couple has in terms of cash, property other than the family home, and capital.

Disability allowance is unique in the social welfare system, as the first €50,000 of capital - savings, shares or property - is fully disregarded in the capital means test. This compares with €20,000 for most other social assistance schemes. After the first €50,000 of capital is disregarded, the next €10,000 is assessed at €1 per thousand, the next €10,000 is assessed at €2 per thousand and the remainder is assessed at €4 per thousand. The disregard results in approximately 98% of people on disability allowance with capital means having no capital actually assessed as means.

People receiving disability allowance may also be eligible for secondary benefits such as free travel, fuel allowance, the household benefits package, the living alone allowance and the telephone support allowance. In addition, disability allowance recipients may also work and earn up to €120 per week without their payments being affected. In addition, disability allowance recipients may also work and earn up to €210 per week without their payment being affected. Any proposals to change the capital means assessment for disability allowance would have to be considered in the overall budgetary context.

**Deputy Éamon Ó Cuív:** Let us go back to the cohort I spoke about, who are so disabled that this talk of getting employment just does not arise. I have come across cases where a parent dies and leaves, say, €100,000 to an adult child who has been disabled since birth. In that case the disability allowance payment dropped from €203 to €53 per week. If the parents leave €110,000 it reduces the payment to €13 a week. If parents die and a family home is sold, if they left €120,000, then the person with a disability would be entitled to no disability allowance. We have to remember that these thresholds are way beneath the inheritance tax threshold. For this very vulnerable group where parents make a huge effort to leave them something, is the Minister willing to look at it again? I am talking about people who have always been disabled and will never have an opportunity to make a social contribution in terms of getting an invalidity pension.

**Deputy Heather Humphreys:** I hear what the Deputy is saying. There are disregards there, as I have pointed out. The first €50,000 of the €100,000 is disregarded and the next amount is done on a sliding scale. The disability allowance covers a wide range of recipients. I will have to speak to my officials about this. I take the point the Deputy is making. The matter would need a fairly in-depth analysis as to what we can do in this space.

**Deputy Éamon Ó Cuív:** I will give the Minister another example, a real-life case. A parent scrimped and saved throughout their life and wanted to make an extra provision for their disabled offspring. They bought a pension of €100 a week and gave it to the adult offspring. In this case, it reduced the disability allowance by €100 per week which meant the parent would end up saving the State money but doing nothing for their own child. When I and the Minister meet, maybe we could also discuss these cases. They are not hypothetical but real cases of

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families where there might have been a middle-class income and they really wanted to provide for their disabled children but they find all the time that the more they do, the more is taken away by the State.

**Deputy Heather Humphreys:** I am happy to talk to the Deputy about this issue. I take the point. There are always going to be cases and it is important that we look at the system to make sure we are not leaving anybody out or causing difficulties for people.

Would the Acting Chairman mind if I made a short statement to the House on the pandemic unemployment payment, with the permission of Deputy Carroll MacNeill?

**Acting Chairman (Deputy John Lahart):** Okay.

**Deputy Heather Humphreys:** I thank the Acting Chairman. The pandemic unemployment payment, PUP, was introduced to support people who lost their jobs overnight as a result of Covid-19. It was a solidarity payment to protect people's income at a time of national crisis. I strongly believe that any person who breached that solidarity by claiming a payment they were not entitled to because they were no longer living in the country should have their payment stopped. Of the 2,500 PUP claims that have been stopped since March, the vast majority of these, over 90%, relate to people who were permanently leaving the country.

I have listened to the concerns expressed in recent days relating to people whose payment was stopped due to the fact they were travelling abroad on a holiday. I know that there are cases where people may have travelled abroad and genuinely not been aware of the travel guidance or criteria which applied to the PUP. Indeed, the Acting Chairman, Deputy Lahart, raised that himself yesterday. I accept that my Department could have communicated more effectively on this issue. For that reason, I have directed my Department to review all cases to date where people went on holiday and had their payment stopped.

Since the regulations relating to jobseekers were signed on 10 July, the Government's travel advice has changed with the publication of the green list last week. On that basis and in line with the Government's travel advice, I have now asked my officials to amend the regulations so that people on jobseeker's payments who wish to travel to any of the countries on the green list can do so and continue to receive their payment. For countries that are not on the green list, persons can travel for essential reasons only. For example, if someone is going to a non-green list country, it must be for essential reasons such as a bereavement or health reasons. If such people inform their Intreo office in advance, their payment will not be impacted.

The pandemic unemployment payment was established on an emergency *ad hoc* basis under the Social Welfare Act and was paid out as an exceptional needs payment. My officials advise me that under this scheme, there was no provision to receive a payment while out of the country under any circumstances. As I am currently bringing legislation through the Oireachtas to put the PUP on a statutory basis, I intend to sign regulations that will bring the PUP payment in line with jobseeker's payments. That will mean persons on PUP can travel to green list countries and their payment will not be impacted. As with jobseeker's payments, persons travelling to countries outside the green list can only do so for essential reasons.

The Government is committed to protecting people and that is why we have extended the PUP until next April. We will continue to keep all regulations under review in line with the Government's travel and public health advice.

## **Back to School Clothing and Footwear Allowance Scheme**

29. **Deputy Jennifer Carroll MacNeill** asked the Minister for Employment Affairs and Social Protection the status of the back to school clothing and footwear allowance; if persons in receipt of the pandemic unemployment payment will be eligible to apply for the scheme; and if she will make a statement on the matter. [18809/20]

**Deputy Jennifer Carroll MacNeill:** I wanted to ask about the back to school clothing and footwear allowance. I have already heard the Minister state that it is going to be extended to people on the PUP. She might outline the way in which they might go about making the application and the timing in which they might get it. For some on the Covid payment this might be the first time they have applied. Will the social welfare offices be reaching out to inform them that this is available to them?

**Deputy Heather Humphreys:** I thank the Deputy for raising this important issue. This year, the eligibility criteria for back to school clothing and footwear allowance have been extended to include the Covid-19 pandemic unemployment payment as a qualifying payment for the allowance. Recipients of this payment will also need to satisfy all the other qualifying conditions to qualify.

The back to school clothing and footwear allowance scheme provides a once-off payment to eligible families to assist with the costs of clothing and footwear when children start or return to school each autumn. The scheme operates from June to September each year. The allowance paid for each eligible child aged from four to 11 years on or before 30 September 2020 is €150 while an allowance of €275 is paid for each eligible child aged over 12 on or before 30 September 2020. The allowance is payable for eligible children between the ages of four and 17 in respect of whom a qualified child increase is being paid. It is also payable to those between the ages of 18 and 22 who are in full-time second level education and in respect of whom a qualified child allowance is being paid.

Similar to previous years, the majority of customers are awarded back to school clothing and footwear allowance automatically and notification of the awards issued to these customers in late June. This year, 115,000 families have been automatically approved for the back-to-school clothing and footwear allowance in respect of 211,000 qualified children. Payments amounting to €43 million were made to these families in the week commencing 13 July 2020.

**Deputy Jennifer Carroll MacNeill:** I thank the Minister. As I understand from her answer, these were people who were already in receipt of the allowance and who would have expected to be in receipt of it again. However, for that cohort of people on the Covid payment who have not gone through this process previously, how many people does the Minister believe that will apply to in those circumstances? The Minister confirmed that the other qualifying criteria - the means test and the necessity to be part of an approved scheme - are still in place. Could she confirm those to the House?

**Deputy Heather Humphreys:** The scheme opened to new applicants on 6 July 2020. To date, a further 21,500 applications have been received. Payments of €1.25 million have already been made to 2,900 families in respect of 6,200 qualified children from the applications received to date. Anybody can apply for the back-to-school clothing and footwear allowance on-line at [www.welfare.ie](http://www.welfare.ie). To apply online they must have a public services card and a verified my.Gov.ie account. It is an important support for parents because, as we know, the return

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to school is an expensive time. Parents have to buy their children's uniforms. This money is available for all those on the pandemic unemployment payment, PUP, and it is important that they get that support.

### **Covid-19 Pandemic Supports**

31. **Deputy Sorca Clarke** asked the Minister for Employment Affairs and Social Protection if an anomaly will be addressed in relation to the exclusion from the enterprise support grants eligibility criteria for the pandemic unemployment payment for trade operators who remained operating on an emergency call-out basis during the pandemic thereby ensuring homes and businesses remained safe and secure. [19014/20]

47. **Deputy Claire Kerrane** asked the Minister for Employment Affairs and Social Protection if her attention has been drawn to the fact that many trade workers who undertook emergency work during the Covid-19 pandemic have been locked out of supports as they return to work; and if she will make a statement on the matter. [19006/20]

**Deputy Sorca Clarke:** That question is grouped with No. 47 in my name. I ask the Minister if her attention has been drawn to the fact that many trade workers who undertook emergency call-outs during the pandemic have been locked out of supports. Specifically, I am referencing the enterprise support grant. The Minister might comment on that.

**Deputy Heather Humphreys:** I thank the Deputies for these questions. I propose to take Questions Nos. 31 and 47 together.

The enterprise support grant is being extended to assist eligible self-employed individuals who are exiting the Covid-19 pandemic unemployment payment or jobseeker's schemes after 25 June 2020 to restart their business which was closed due to the impact of the pandemic.

The grant of up to €1,000 will be payable to self-employed microenterprises which employ fewer than ten people, have an annual turnover of less than €1 million and are not eligible for support from the Covid-19 business restart grant or other similar business reopening grants. The Department is currently developing the systems to put this support into effect and will communicate how to access the grant in the coming week or so. Funding of €12 million has been approved for this grant.

In order to be eligible for the Covid-19 pandemic unemployment payment an individual must have lost his or her employment due to the pandemic. Self-employed persons must have suffered a collapse in their trading income to the extent that they are available to take up other full-time work. This means that a self-employed person can engage in once-off or sporadic emergency work and still retain eligibility for this payment. In cases of doubt where emergency work is undertaken, an individual should discuss the matter with the Department.

If self-employed persons are ineligible for the pandemic unemployment payment, as they are engaged in regular employment or it generates significant income, they may be entitled to support under the jobseeker's benefit or jobseeker's allowance scheme depending on their individual circumstances.

**Deputy Claire Kerrane:** I have asked several times how people will go about applying for that enterprise support grant. Will the Minister give an indication as to when she believes those

matters will be decided and made public to allow people apply for them. Will those on the PUP who have returned to work without being able to apply for this payment and who do not pay rates and therefore cannot apply for the restart grant be able to apply for this enterprise support grant when they are already back at work? We have to remember that those over the age of 66 who are working - the self-employed or otherwise - who could not receive any support, including the pandemic unemployment payment, cannot access this enterprise support grant nor can they access the restart grant based on nothing other than their age. They were excluded from any supports, albeit they and their businesses suffered because of Covid-19. They were excluded based on their age. Is there a timeline for when the Minister will have the information on how people can apply for this grant?

**Deputy Heather Humphreys:** Officials from my Department are currently developing the systems and the application process for this grant. Applicants will be asked to send their application form to their local Intreo centre to be processed for payment. Details on applying for the grant will be released early in August along with the grant application form. All details on the grant will be available on [www.gov.ie](http://www.gov.ie).

**An Ceann Comhairle:** If Deputies are happy to do so we will go back to Question No. 30 in the name of Deputy Lahart.

### **Pensions Reform**

30. **Deputy John Lahart** asked the Minister for Employment Affairs and Social Protection the timeframe for the introduction of a pension auto-enrolment system; and if she will make a statement on the matter. [18961/20]

**Deputy John Lahart:** I thank the Ceann Comhairle for facilitating me. I ask the Minister about the timeframe for the introduction of a pension auto-enrolment system. She might make a statement and give some additional details on that topic.

**Deputy Heather Humphreys:** I thank the Deputy for raising this matter. Compared with other countries in the OECD, the proportion of employees in Ireland with supplementary pension cover is low, with just over 50% of the working population having an occupational or personal pension. This rate reduces to 35% when the private sector is considered in isolation. As a consequence of this low supplementary pension coverage rate, many retirees may suffer an unwanted reduction in living standards when they retire.

To address this low coverage rate, a system of automatically enrolling employees into a quality assured retirement savings plan, with freedom of choice to opt-out, has been progressed by previous Administrations. Although A Roadmap for Pensions Reform 2018-2023 provided for the development and implementation of an automatic enrolment, AE, retirement savings system by 2020, this Government recognises the exceptional strain that both employers and employees are now under as a result of the Covid-19 emergency.

The Department of Employment Affairs and Social Protection continues to work on the design of the AE system. There are five main areas where work is ongoing so as to produce design options for Government to consider. These areas relate to: the scope and role of the central processing authority; the nature and functions of the registered providers; the investment framework and funds to be offered by registered providers, including the design of the default

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fund and the pay-out phase; the design of the State financial incentive; and the phasing of implementation.

In progressing this work, the Department is receiving technical support from the European Commission's DG Reform, which assists EU member states implementing administrative and institutional reforms. I hope this clarifies the matter for the Deputy.

**Deputy John Lahart:** I thank the Minister for the reply. The Minister stated that she was aiming for 2022 but because of the strain that both employers and employees are now under as a result of Covid-19 she is implying, without actually saying it, that the date will extend beyond that. Could she be more specific as to when we can anticipate that auto-enrolment scheme to be introduced?

**Deputy Heather Humphreys:** A Roadmap for Pensions Reform 2018-2023 provided for the development and implementation of the auto-enrolment retirement scheme by 2022.

*12 o'clock*

This Government recognises the exceptional strain that both employers and employees are now under as a result of the Covid-19 emergency. The Government will, therefore, seek to gradually deliver the AE scheme, which will include a phased roll-out of contributions over a ten-year period. A phased introduction of the system is believed to be achievable in the current situation. It is widely recognised by many stakeholders in the public consultation process that full implementation of the AE scheme by 2022 was extremely ambitious. The AE programme management office in my Department will work on developing options for the Government to consider in order that the system can be introduced on a phased basis. Until decisions have been made on these options, it is not possible to give a more detailed timeline for the introduction of the AE scheme.

### **Ceisteanna ó Cheannairí - Leaders' Questions**

**Deputy Mary Lou McDonald:** Welfare and solidarity payments should not be abused. We are all in agreement on that point. If there is any malpractice or fraud, it must be addressed. The circumstances we now face do not relate to corruption or malpractice but to a decision taken by the Government to openly and blatantly discriminate against workers who are on a Covid payment. Having issued inconsistent and confused travel advice, the Government now says that workers on a Covid payment cannot take a holiday that they may have paid for 12 months ago and that may be to one of the Government's green-list countries, without fear of losing their income. The Government's confused travel advice also means those people are not guaranteed a refund if they cancel that holiday. Its approach is discriminatory. The billionaire classes and tax exiles have been accommodated and there is not a chance of a penalty for them; they have been facilitated. The Government's utter hypocrisy and unfairness is galling. It is my strong view that nobody should take international trips. I also believe the travel advice should clearly and unambiguously set that out, but that is not the case. If the Government is determined to penalise people for travelling abroad, it must have universal penalties, not ones targeted at one section of the population, because the unfairness of that speaks for itself. The Government's lack of understanding and empathy for people who have been through the mill and lost their

jobs is remarkable. The Taoiseach said that we are all in this together, but it is clear now that we are not.

Tomorrow, the Government will bring forward further legislation, this time on vulture funds. A vulture fund lost a court case in April and now the Government is introducing legislation to address the concerns and needs of such funds. It is hugely worrying that this measure is being sneaked through in Covid emergency legislation without any pre-legislative scrutiny, but that is this Government all over. It certainly makes it clear in whose interests it acts.

I asked the Taoiseach yesterday to state the legal basis for Government actions such as inspections at our airports and the sourcing of information from people travelling abroad. It seems to me that the Government acted outside the law. Yesterday, the Taoiseach said he favours a review of cases where people have had their money stopped. Who will carry out that review? When will it take place and will people get their money back?

**The Taoiseach:** The Deputy loves throwing accusations about the place and assertions in relation to the Government's overall policy. She is basing her claims, and is trying to throw away the political consensus that has served the country well in dealing with Covid-19 over the past five months, on the fact that as few as 100 people have had their pandemic unemployment payment, PUP, suspended because of overseas holidays. I understand and appreciate the need for robust political debate, but I also believe there is a need for honesty and a degree of perspective in this debate. Last night, this Government passed legislation to underpin and strengthen the PUP. In the jobs stimulus programme, we agreed to extend the payment to the end of March 2021, at a cost of approximately €2.2 billion. It has already supported more than 600,000 people. That is not a Government that does not have empathy for those who have lost their jobs because of Covid. The Deputy said that she accepts the need for compliance at airports. I take it she does because those checks have been in place since 2012.

**Deputy Alan Kelly:** They were there before that.

**The Taoiseach:** As Deputy Kelly said, they were there before that as well. They have been there for a long time. The fact that we are extending this payment until the end of next April shows our commitment to helping and supporting people. Alongside that, we have also put together a very substantial job activation programme under the July stimulus to help people secure alternative employment. All we are getting from Deputy McDonald is play-acting. She is deliberately undermining what has been a genuine effort to reach out to people who lost their jobs as a result of the pandemic. The people on the PUP are not clamouring to travel overseas. That is a wrong impression to give. Nobody is attempting to single anyone out. We all know the overseas travel numbers are at a record low level, and people on the payment are doing their best to make it through this crisis in one piece. We know that 90% of people who were checked at airports lost the PUP because they were permanently resident outside the country. Surely the Deputy is not suggesting that all of those people should get their payment back, or it is wrong somehow that people who are living permanently abroad should get the PUP. We are saying they should not. What is the Deputy's position on that?

The Deputy has some nerve to mention confusion about travel. Just like Sinn Féin's policy in the North, this Government agrees and advises that there should be no unnecessary travel overseas and wants people travelling from various overseas countries to restrict their movements upon their return. Also like Sinn Féin's policy in the North, the Government has published a list of countries for which people returning from essential travel will not need to re-

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strict their movements. The difference between this Government and Sinn Féin's policy is that whereas we have restricted that list to 11 countries, Sinn Féin welcomes unrestricted overseas travel from 58 countries. That is what Sinn Féin signed off on, and yet the Deputy has the nerve to come in here and talk about the Government's confusion on travel. That is the Sinn Féin position, which the Deputy signed off on without equivocation.

**Deputy Paul Murphy:** The Taoiseach has three minutes per question.

**The Taoiseach:** These are the facts and the Deputy must know them. She is being completely disingenuous in her attack on the Government on this issue.

As regards her question about reviews, the Department of Employment Affairs and Social Protection is there to hear reviews. We are not out to undermine anyone on the PUP or to single them out in any shape or form. I want to make that very clear. On the contrary, the pandemic unemployment payment is working and has worked, along with the wage subsidy scheme, to underpin the economy. The latest retail sales figures for May and June are evidence of how these interventions have worked to underpin the economy.

**Deputy Mary Lou McDonald:** It is the Taoiseach who has broken the consensus and the notion that we are all in this together by sending inspectors to airports seeking out those on Covid payments. That is what has happened. I put it to the Taoiseach that in so doing, the Government acted outside the law. I would like him to state to the Dáil the legal basis upon which individuals were approached to establish their social welfare status. Did the Department have reasonable grounds to do so, or did inspectors simply make an assessment based on the look of someone? Was everybody asked and checked? The Taoiseach concedes that travel is at a record low and that there is no widespread clamour among those on Covid payments to travel overseas; far from it. Why then has the Government targeted them in this way? I too wish that nobody would take a trip abroad. That is my position and I think it is the correct position. However, the Government's advice is confusing to the extent that those who may have paid for their holidays 12 months ago are not in a position to get a refund. Now they face the prospect of losing their Covid payment if they travel, which is their sole source of income. I put it to the Taoiseach again that if there are penalties for travelling abroad, they should be universal. If the Government chooses, as it has chosen, to target those on Covid-19 payments, that is discriminatory and unfair and should not happen. I want the Taoiseach to state what form this review will take. Is it a special review?

**An Ceann Comhairle:** Please, Deputy, the time is up.

**Deputy Mary Lou McDonald:** Will it be carried out by the Department, when will we see results from it and when the small number of people involved get their money back?

**The Taoiseach:** The Deputy says she is against all foreign travel. Is that what she has said?

**Deputy Mary Lou McDonald:** I am.

**The Taoiseach:** Is she? I have been hearing different messages from the Deputy on this for the last week or two.

**Deputy Mary Lou McDonald:** No, the Taoiseach has not.

**The Taoiseach:** Regarding the compliance issue, the Department of Employment Affairs and Social Protection carries out compliance inspections at ports and airports throughout the

year. My notes state it has been doing so since 2012. The legal basis for the control and compliance checks is section 250(16) of the Social Welfare Consolidation Act 2005, as amended by section 17 of the Social Welfare and Pensions Act 2012. Since March 2020, some 2,000 PUP claims have been closed as a result of checks carried out in Dublin Airport. That is the note I have from the Department. The vast majority, I understand up to 90%, of PUP cases stopped as a result of this work relate to individuals leaving the country not as holidaymakers, but on a permanent basis. Is it Deputy McDonald's position that that should not happen? Is it her position that those who leave the country permanently should continue to receive pandemic unemployment payments? That seems to be what the Deputy is saying.

**Deputy Mary Lou McDonald:** No, it is not.

**The Taoiseach:** I did not send inspectors out to the airports.

**Deputy Mary Lou McDonald:** Somebody did.

**The Taoiseach:** They have been going out for years and well the Deputy knows it. What she has tried to do in here is to turn an issue which involves 100 or 200 people into some massive political philosophy or ideology that is out to get people when, in fact, that is not what the Government is about. The Government has extended this scheme to the end of April. It currently caters for up to 287,000 people and we have underpinned and strengthened it to give additional protections to deem those people to have made their social contributions. That is what this is about, and we will help people and work with them to help them source alternative employment, given the difficult circumstances people are undoubtedly in.

**Deputy Alan Kelly:** I raise an issue with the Taoiseach on which I would appreciate his direct intervention. It concerns people with intellectual disabilities. We are dealing with more than a few hundred people in this case. I appreciate that the Minister of State, Deputy Rabbitte, is present to hear this as well. I am asking the Taoiseach and the Minister of State to go out and meet the people involved. Can the Taoiseach imagine that in the middle of a pandemic we have families and individuals with intellectual disabilities protesting outside? Can he imagine that they are the first group, during the Covid-19 pandemic crisis, that has come to protest outside our national Parliament? What is that telling us?

I have raised this issue three weeks in a row now. Granted, the two previous occasions were with the Tánaiste and Minister for Business, Enterprise and Innovation, Deputy Varadkar, and on the second occasion, he delegated to the Minister of State, Deputy Rabbitte. We are not going to leave these people behind; we are currently leaving them behind. It is completely and utterly unacceptable. We live in a republic and we must treat everybody equally. Most of all, we, as legislators in our national Parliament, and the Government need to ensure that our most vulnerable people during this crisis are protected at all costs - and, by god, these are our most vulnerable people. I have spoken with the families. Enough is Enough is the banner under which they are protesting outside. I ask the Taoiseach and the Minister of State, Deputy Rabbitte, to go out and meet them. Please surprise me and go and do that. Please do that because I think the Taoiseach needs to hear their stories.

The issue here is that these people have been forgotten about. They have had no day services and they are losing the will to live. They have no stimulation. Routine is everything in their lives. My friend, Philip Kelly, who is no relation and whom I met here in Dublin, asked me to ask the Taoiseach to allow him to go back to work. He calls his day service "work". He

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makes his contribution. I could talk also about Leah, for whom every day feels like Groundhog Day; or Darragh, who cannot understand or necessarily remember how the services were being provided and now the differential; or Stephen, whose parents believe he is developing habits they are worried about; or Padraig, who says his life has been turned upside down; or Alan, who feels very much that he is being discriminated against and treated very badly. These people and their families are being discriminated against and left behind.

We have had a reopening roadmap set out for our schools. The same timelines must be provided for the people protesting outside. Will the Taoiseach commit to that today? Having raised this issue, which I am passionate about, I do not want to go out to the people outside and say the Minister issued a statement last night, all of a sudden, and that from 4 August, we will know the dates for reopening. I will do so, however. I want to know when the services will fully reopen, in the same way we are treating everybody else in education. I want to know when these people will get appropriate accommodation and staff and when the staff who have been transferred to residential care facilities will be placed in day services again.

**An Ceann Comhairle:** The Deputy's time is up.

**Deputy Alan Kelly:** These are the most vulnerable people. This is not a political issue for me. These are the most vulnerable people in our society and the Taoiseach and I have a duty to protect them. I ask the Taoiseach to give us dates for the reopening of their services and a proper plan to re-establish those services so that we can tell them outside later.

**The Taoiseach:** I thank Deputy Kelly for raising this issue. I know he does so in a genuine way and I agree with much of what he has said. I am not happy that there is not a specific time-lined roadmap that I have yet seen for the restoration and reopening of disability day services. The Deputy can tell Philip, Leah, Darragh, Stephen, Padraig and Alan that I am working with the Minister for Health, the Minister of State and the Department of Health to get this moving. I do not think it acceptable that the services are not reopen at this stage.

Initially, in March, as the Deputy will appreciate, all services were shut down because of the pandemic. I am told by the Department that the service providers are working to get day services ready to reopen safely and in line with public health guidance. I am told that adult day services will gradually resume during August but I want more specifics than that. We have also made it clear that the earlier HSE efficiency savings aspect has been put to one side. The HSE is apparently engaged with the service providers with a view to identifying and validating business cases from those providers for additional funding to support the reopening of services. I want that accelerated quickly. The Government provided another €2 billion to the Department of Health for service funding to deal with Covid-19 pandemic health funding issues. I believe the wherewithal is there to facilitate the return and resumption of these services.

The HSE has confirmed that no provider has informed it that services will not resume in August. Again, what I want is a timelined specific response as to when all the services plan to reopen and commencement dates in relation to same. An information portal, which will contain the dates on which the 966 disability day service locations will reopen, is being developed. I understand that after 4 August, service users and their families will be able to access this information on [www.hse.ie/newdirections](http://www.hse.ie/newdirections) and we will send that out. The Deputy's point is well made. I am not arguing with him in any shape or form and I get the necessity of getting these services restored in a meaningful way for those who use them.

**Deputy Alan Kelly:** I do not doubt the Taoiseach's sincerity on this issue. I will say a few things of which the Taoiseach might take note. I have read the letters from service providers and some of them will not be reopening in August. Many of them will open in August but not to the scale required. I am glad that the Taoiseach has now verified that the €20 million will not be cut and that sneaky cut is gone. I ask him and the Minister, Deputy Stephen Donnelly, to look into this matter specifically and ensure that service provision that is so desperately needed is fully rolled out in August. There are transport, accommodation and staffing issues. All the same issues apply in this area as apply for the reopening of schools. No effort has been made and there is no plan in place.

I would know if a plan is in place because I have spoken at length to people across the whole country, including people from the Taoiseach's own county. They are not receiving any form of validation from their service providers that they will be up and running next month. We need a plan to be published on 4 August and it must not only state that service provision will come back on some date but that services will be fully restored. People need and deserve those services in the same way that schoolchildren need and deserve the reopening of schools. These are our most vulnerable citizens.

**The Taoiseach:** I agree with the Deputy. I met the Minister for Health and his Secretary General yesterday evening in the aftermath of a Cabinet sub-committee meeting about health generally.

**Deputy Alan Kelly:** Did the Taoiseach discuss this matter with them?

**The Taoiseach:** I did; that is the point. I asked for a proper response including a timeline for when services will be restored. Some 19,000 people are affected by this issue and they deserve the restoration of services, as the Deputy said, in the same way as children deserve the reopening of schools and so on. I will keep on top of this until I get satisfactory responses. I do not think the necessary clarity exists now but engagement is under way. I think the HSE is working with the service providers, to be fair, but I will keep in touch with Deputy Kelly and other Deputies about this issue. I take the points that the Deputy has made about his understanding of what is happening on the ground in respect of certain services but I am told that after 4 August, information will be available for all involved. I want to see a match between the statements that are made and the reality on the ground.

**Deputy Róisín Shortall:** I will stick to the issue of disability. The Enough is Enough group will be protesting shortly to highlight the urgent need to reopen disability day services. People with disabilities must get back to full services for their own sake but also to relieve the enormous stress on family carers. At the same time, the Taoiseach must accept that the organisations that provide most of those disability services face a complete lack of certainty about their core funding.

The Taoiseach referenced the €20 million cut that was announced last January and said it has been put to one side. I want clarification on that. Several promises have been made over the past six months. That so-called efficiency cut was announced, of course, before the onset of the Covid-19 pandemic. Prior to the general election, Fianna Fáil committed to reversing that cut. The Minister for Health, Deputy Stephen Donnelly, said that the bottom line is that the cut must be withdrawn. I asked the Minister about that proposed €20 million cut last week and he told me that he did not know whether it was going ahead. We know that the then Minister, Deputy Harris, said absolutely that the cut was to be removed. He said he wanted to provide

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the organisations with peace of mind with a letter confirming that the cut is gone. However, we know from listening to disability organisations that they are hearing on the ground that the HSE intends to proceed with that cut. The cut is not gone.

I want the Taoiseach to confirm that he is committed to reversing that €20 million cut. I also want him to commit to providing confirmation of that in writing today to the organisations involved. I further want him to send a clear message to the HSE instructing it not to proceed with the cuts. What the Taoiseach said earlier about that €20 million has not been borne out by what is happening currently on the ground.

The other point the Taoiseach should clarify relates to the substantial additional costs that disability organisations will incur in reopening services, observing social distancing and all the other issues associated with compliance with health advice while reopening services as a matter of urgency. What is the total fund that the Government will provide in order to facilitate the reopening of disability services in the context of Covid and meeting all of those additional costs?

**The Taoiseach:** I can confirm that the efficiency saving will not be applied. This is not about the 1% saving that the cut would represent. The funding to health services as a result of the pandemic is now multiples of that provided in the original health Estimate. Additional billions in funding will be going to health services in general. That cut will not be applied.

More importantly, there must be validation of the business cases that service providers are making for the reopening of services. I do not have a specific overall fund governing that. This works both ways and some savings must have been realised because services have been closed for five months. I will not a meal out of that point but it must be acknowledged.

There is engagement between the Health Service Executive and the service providers. The overarching position of the Government is that we want these services to reopen for the 19,000 people affected. We need precision and a concrete set of proposals to allow that to happen, similar to what has transpired in education where proposals have been particularly comprehensive. I have been told that the vast majority of service providers will resume in August and the HSE has not been told by anybody that they will not be resuming services in August. I am not taking what I have been told so far as read and will seek further clarification. I am obviously probing more and want to see definite plans on this matter. Realistic costings will follow the provision of definite plans.

**Deputy Róisín Shortall:** I would like clarification on those two issues. The Taoiseach has given a commitment about the €20 million but we have heard similar commitments a number of times over the past few months that have not been followed through. The Taoiseach has put that commitment on the record and I ask him to put it in writing today to the disability organisations and make it clear to the HSE that is the case. It has not been confirmed with the relevant organisations.

There is no more time to be wasted before action is taken on the additional costs associated with the requirements around Covid-19. It is essential that disability services are opened up at least in line with the schools. What is the process for identifying the costs involved for the different disability organisations? How will it be made clear that money will be available in time for the necessary works to be carried out?

**The Taoiseach:** I earlier referenced the meeting we had yesterday evening, which involved a lot of Ministers. This issue was discussed at that meeting and in its aftermath. I am making

our position clear to the Deputy. She has asked a question and I am giving her the answer.

**Deputy Róisín Shortall:** Will the Taoiseach put his commitment in writing?

**The Taoiseach:** Of course we can do that.

**Deputy Róisín Shortall:** Will he do it today?

**The Taoiseach:** I know that the Deputy would like a better answer than Deputy Kelly got but the point is-----

**Deputy Róisín Shortall:** We have heard these kinds of promises before.

**The Taoiseach:** I appreciate that. The Deputy has made the fair point that the commitment should be communicated to the organisations in the system and it will be. The overall point is that we are talking about multiples of the original amount of money designated for the HSE and services in general because of Covid-19. The issue now is what it will take to restore these services. I have not seen the final print of that, if I am honest. I have not seen the final bill. What I really want to see is a structured response stating when the services will be restored. The HSE is working on that.

**Deputy Róisín Shortall:** Is there a Minister in charge of that?

**The Taoiseach:** There is a Minister of State. As the Deputy is aware, it is a new Department. It is located in the Department of Health right now and that whole area governing disability will move to the new Department with responsibility for children, youth affairs and disability.

**Deputy Paul Murphy:** The discrimination against PUP recipients is a shambles worthy of the Government. Ten minutes before Leaders' Questions began, the Minister responsible was in the House announcing what sounded like a partial U-turn on the policy. It leaves PUP recipients wondering if the discrimination has ended. It leaves those who have been penalised wondering if their money will be reinstated. They need clarity on this. After Deputy McDonald asked about this issue, we got five minutes of speechifying from the Taoiseach about everything other than this issue. Can the Taoiseach please provide clarity for PUP recipients?

I have to hand a copy of a letter sent to a new social welfare applicant last week. It refers to important information about the person's jobseeker's benefit, and in respect of holidays states the person may take up to two weeks' paid holidays in a calendar year and that the person must tell the Department before he or she goes. There is nothing in the letter about a travel advisory, green lists, red lists or anything else. The person may take holidays and has to tell the Department. If the person takes holidays, he or she could lose all of his or her income. Billy Kelleher, MEP, has suffered no loss in income, the tax exiles are facilitated and special assignee relief programme, SARP, recipients suffer nothing at all. It is deeply immoral to have this blatant discrimination. It is not just immoral. The problem in which the Taoiseach finds himself is that this is illegal. There is no legal basis for the discrimination, as has been pointed out by the Free Legal Advice Centres, FLAC.

Yesterday, I spoke to a man called Ciarán. He is 25 years old and has paid taxes all his life, and is in receipt of the PUP through no fault of his own. On Thursday, 7 May he took a flight and was stopped at the boarding gate by plain-clothes gardaí who said they were conducting an immigration check and asked for his passport. He handed it over, and they took it and gave it back. He got on the aeroplane. He came back to Ireland and found his PUP had been stopped.

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He contacted the Department of Employment Affairs and Social Protection, which told him he was on a particular flight and, therefore, his PUP was being taken off him. On what legal basis did gardaí ask for his passport and then transfer information to the Department of Employment Affairs and Social Protection? There is no legal basis for that. That is why, when representations were made by his constituency representatives, Deputies Nolan and Stanley, his payment was restored.

If there was no legal basis then for stopping payments, there is still now no legal basis for this discrimination. The statutory instrument introduced on 10 July explicitly related to jobseeker's benefit and does not reference the PUP. What about the case of a woman who is reported in *The Irish Times* as having booked a ferry trip that she did not take, but lost her PUP simply for having made a booking? I do not want to hear long rhetoric around the coronavirus crisis, the point of the PUP or anything else. Rather, I want clarity on what is going to happen.

**The Taoiseach:** The Deputy does not want to hear the fact that the pandemic unemployment payment has been a very substantial and effective intervention in our economy. He cannot bring himself to say that. He cannot bring himself to say that the wage subsidy scheme was a very effective intervention and that the continuation of both schemes to the end of March represents a substantial policy response to people who are in difficulty arising out of the very negative impact Covid-19 has had on our economy.

I make no apology for continuing to restate that, because that is the antithesis of the Deputy's assertion of shambles and so on. The very fact that the July stimulus programme has, in a very measured way, continued what are very substantial and significant intervention speaks to, in my view, a very sound economic policy that is designed to result in a substantial deficit this year in order to keep as many jobs as we can in the economy and create alternative jobs. That is the big picture of what we are doing.

I am not responsible for operational decisions taken by people on the ground in respect of compliance with social protection rules. I said yesterday that I would want the cases of those who have lost their PUP to be reviewed. The Deputy already referred to one case which was reviewed and the payment was restored. As I have said, this needs to be kept in perspective. The Government has no agenda to single out anybody, and I certainly do not, just because he or she is in receipt of the pandemic unemployment payment.

As the Deputy is aware, there always have been compliance checks at the airports. He is equally oblivious to the fact that 90% of the pandemic unemployment payments that were stopped were in respect of people who were residing permanently outside of the State. The checks are in place and will continue.

I have already outlined the Department's legal basis upon which compliance checks are done at the airports, which have been forwarded to me. People working for and on behalf of the Department of Employment Affairs and Social Protection apply the social welfare code and seek compliance with it. I have made it clear that reviews should take place.

The number of people who have been denied the pandemic unemployment payment because of holidays is very low. From what I can gather, about 100 people have been affected. Given that 287,000 people are currently in receipt of the pandemic unemployment payment, that gives us a sense of the issue we are dealing with, and it is an issue that can be resolved.

**Deputy Paul Murphy:** The Taoiseach has been in the House a lot longer than I have but my

understanding is that this session is called Leaders' Questions. The implication is that we ask questions and, I presume, we get answers as opposed to policy statements, rhetoric or anything else.

I will restate the basic questions people need to know. This is not a question about whether there will be reviews of individual cases. Rather, it is a question of policy. The Taoiseach is responsible for questions of policy. The question is simply whether PUP recipients who go on holiday to a green list or non-green list country will lose payments. I do not think people should go abroad at all. That is my advice. However, in circumstances where they do so, will they be penalised? It is a very simple question. Will people have their PUP taken away? The question that flows from that is if it is the case that the Department will not penalise them in the future, will they be refunded the money that was taken from them as a result of the current penalisation?

**The Taoiseach:** The Deputy has said he thinks people should not travel at all, and I hear what he is saying. The Minister for Employment Affairs and Social Protection has made the situation clear in respect of people travelling back to Ireland from countries that are on the green list. They do not necessarily have to restrict their movements when they return to Ireland from a green list country, as per Government travel advice.

I again make the point that the numbers are extremely low. The Government has not set out, in any shape or form, to collectively target the recipients of pandemic unemployment payments. As I have said already and as the Minister said earlier today, the cases involved will undergo a review. This issue can be resolved.

The overall view of the Government is that we have strengthened the legislative basis underpinning the pandemic unemployment payment, we have given added protections to those in receipt of pandemic unemployment payments, namely, that they are deemed to have made contributions which will help them later on, and we have extended the payment to the end of March. By any yardstick, that represents a very substantial intervention by the State in terms of supporting people who are going through a very difficult situation as a result of Covid-19.

### **Ceisteanna ar Reachtaíocht a Gealladh - Questions on Promised Legislation**

**An Ceann Comhairle:** We will move to Questions on Promised Legislation. Before the clock starts ticking, I want to advise Members that 37 Deputies have indicated. A number of those have been carried forward from yesterday. We will start with the party leaders and group leaders. It is highly unlikely we will get to all 37 speakers but I ask Deputies to be concise. I call Deputy McDonald.

**Deputy Mary Lou McDonald:** I wish to voice my disappointment and dissatisfaction at the fact that the Taoiseach has consistently failed to answer the very simple questions put by me and Deputy Paul Murphy.

**Deputy Pearse Doherty:** Hear, hear.

**Deputy Mary Lou McDonald:** The Taoiseach may think that is clever but it is not clever at all. It is disingenuous and unhelpful to the people we represent.

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The Enough is Enough - Every Voice Counts campaign has been raised this afternoon and I wish to return to it. The stories have been set out of those whose day-care facilities have been closed and the kind of devastation that has meant in their lives for them, their carers and their families. I spoke to families who reported regression, depression, isolation and loneliness and a real desire, in an urgent and immediate way, to have their services reopened.

I welcome that the €20 million cut to disability services will not now go ahead but I want the Taoiseach to clarify the position because I was unclear on this point. Is he saying that cut will not go ahead, full stop, or did I hear him hint at the need for business cases to be submitted by service providers to ensure the cut will not be made? I would like clarity on that point and I imagine service providers would like clarity on it too.

**An Ceann Comhairle:** I would like Deputies to stick to the one minute allowed.

**Deputy Mary Lou McDonald:** I would like the Taoiseach to answer questions. We all like things but it seems we are not going to get them.

**The Taoiseach:** To be fair, I gave a clear answer today to Deputies Kelly and Shortall regarding that cut not going ahead. It is not going ahead. As Deputy McDonald knows well because she heard it, the business case relates to the Roadmap for Reopening Society and Business and what it takes for each individual service provider to be in a position to reopen the services for those who badly need them. I agree with all three Deputies and, like Deputy McDonald, I want these services reopened and the timeline for doing so.

**Deputy Alan Kelly:** Yesterday, I raised the insistence by the Minister, Deputy Coveney, on having a Garda car and drivers. The Taoiseach answered that there had been no Government decision taken on the issue. As such, the 2011 Government decision still stands. Now we have a Minister travelling around in a Garda car at a cost of €200,000 per year without permission because there has been no Government decision on the matter. I want to ask two specific questions about this. The letter sent to me stated the Secretary General of the Department of the Taoiseach rang the Secretary General of the Department of Justice and Equality who rang the Garda Commissioner. Was the Taoiseach aware of that and did he give his Secretary General permission to do so? It would be deeply concerning if he did not give permission. Did the Taoiseach give his Secretary General permission to do that? It is a very interesting question so the Taoiseach should think deeply about it. Where did the Taoiseach ever hear of an audit on the security of a Government Minister being given orally over the phone to justify such a decision?

**The Taoiseach:** First, this communication happened before I became Taoiseach. The Secretary General of the Department of Justice and Equality received a query from the Secretary to the Government on Sunday, 28 June as to whether it was appropriate, on security grounds, for the Minister, Deputy Coveney, to retain his Garda driver. The security assessment is that it is important.

**Deputy Alan Kelly:** Was it given orally?

**The Taoiseach:** No, the security assessment from the Garda to the Department of Justice and Equality is that it the Minister should retain a Garda car on security grounds. I am not getting involved in any security appraisal.

**Deputy Alan Kelly:** It is not a Government decision.

**The Taoiseach:** Deputy Kelly knows that. The Government did not take a decision on it.

**Deputy Alan Kelly:** The 2011 decision still stands and the Minister is driving without permission.

**An Ceann Comhairle:** Please, Deputy Kelly, we cannot have a conversation on these matters.

**The Taoiseach:** No, he is not driving without permission. It does not require a Government decision.

**Deputy Holly Cairns:** In 2017, a Bill was introduced to provide paid maternity leave for city and county councillors, which, incredibly, does not already exist. This Bill has since lapsed. When I tell people this, they do not believe me. Maternity leave is not a perk or a pay rise but a human right. Female dominated sectors are often undervalued and underpaid. They including professions such as nurses and carers but I could go on. We must ask whether, if more women were at the decision-making table, this would be the case and, if there were maternity provisions for politicians, there would be more women at these decision-making tables. There are 36 female Deputies and 124 male Deputies in the Dáil. It is an absolute disgrace. The Taoiseach's party returned five female Deputies out of 37. We cannot scratch our heads after every election and wonder again why we have not achieved greater equality when there is this glaringly obvious barrier for women. I know there are complexities. It is an unusual job in terms of its nature, the need to vote and so much more but, of course, there is a way. Will the Taoiseach commit to finding a way to provide councillors, Senators and Deputies with maternity and paternity leave?

**The Taoiseach:** I will. The Deputy makes a fair point. Maternity and paternity leave should be provided as it is in other jurisdictions. Politics should not be an exemption in that regard so I will follow that up and keep in touch with Deputy Cairns on it.

**Deputy Mick Barry:** The programme for Government pledges to review the legal provisions for collective redundancy, something that is long overdue. We have seen how workers at Clerys and now Debenhams are suffering under liquidation laws that were framed by the Taoiseach's party and Fine Gael when it was leading the Government. This day last week, the Tánaiste met Debenhams workers and their union representatives and undertook to take steps to try to improve the package available to them. My question is twofold. Will the Taoiseach report to the House what progress, if any, the Tánaiste has made on this front over the course of the last seven days? If he does not have that information to hand, will he commit to speak to the Tánaiste today and ask him to report to this House tomorrow before the recess takes place?

**The Taoiseach:** I thank the Deputy again for raising this important issue. In my view, the workers have been treated badly. I will meet worker representatives tomorrow and I will engage again with the Tánaiste on the matter. He spoke to me last week about his meeting with the workers and their union representatives. I have not had an update since but the Tánaiste was pursuing certain lines of inquiry in terms of how to be of assistance to the workers concerned. It is a work in progress on which I will revert to the Deputy.

**Deputy Noel Grealish:** I request that legislation be introduced to strengthen powers and increase penalties to address the scourge of illegal dumping which is rampant across the country. The Covid-19 pandemic has caused many changes in our country and, unfortunately, it has significantly increased the amount of illegal taking place both in cities and rural areas. There is scope under the current waste management legislation to seize vehicles or equipment involved

in illegal dumping activity and have these vehicles disposed of as the competent authority sees fit. Unfortunately, for various reasons, these laws are not being enforced. Without proper and significant penalties, this problem will get a lot worse. I ask that a special task force be set up by the Government comprising An Garda Síochána, local authorities and all relevant parties to tackle this problem with enhanced powers to deal with this serious issue.

**Deputy Christopher O’Sullivan:** Something wonderful is happening in Ireland right now as people start to discover their country for the first time. They are heading to the coast and our coastal communities, our beaches in Inchydoney, Long Strand, Barleycove, and the Taoiseach’s beloved Broadstrand. These are great places to social distance and holiday safely but, unfortunately, a small percentage is ruining it for everybody by littering, dumping, leaving behind cans and lighting bonfires in special areas on conservation. This needs to be stamped out. Page 37 of the programme for Government refers to what we will do to tackle plastic pollution and waste. I ask that we give adequate resources local authorities to deal with issues. There is a single litter warden, for example, for that whole geographical area I mentioned. We need to give local authorities resources so we can stamp out this scourge once and for all.

**The Taoiseach:** I thank Deputies Grealish and O’Sullivan for eloquently and articulately presenting a very strong case on illegal dumping. Without question, it is a scourge in our society and across the countryside. It needs to be dealt with robustly and I will take on board the suggestions both Deputies have made. I will talk to the Ministers responsible about putting together a task force and, in the case Deputy O’Sullivan mentioned, about additional resources for local authorities in dealing with the issue. Many community groups have responded on the beaches with do-it-yourself collections of plastic and other litter. Both Deputies have made a fair point.

**Deputy Mattie McGrath:** In the same vein, the OPW is giving out mixed messages. The Government is giving out many mixed messages since the people have been restricted during the Covid crisis. The Taoiseach was in the beautiful town of Cahir with me some years ago when I was a fellow traveller of his. He knows the town well. It is a beautiful town with a wonderful organisation, Cahir Development Association, leading its tidy towns efforts. It has many businesses, one of which, John Quirke Jewellers, celebrates 45 years in business today. Cahir House Hotel celebrated 13 years in business yesterday and there are many other small community businesses.

The castle site is closed, as is the wonderfully artistic and scenic Swiss Cottage. Those facilities have wonderful staff and I want them to be safe. Surely the sites can be opened for outdoor tours and not have the gates locked. Tourists are flocking to Cahir, which is a wonderful town. The town has done what other people have suggested as regards cleaning and eliminating litter and enhancement schemes. There is a wonderful community. Surely these sites should all be open on a restricted outdoor basis to allow people to get a view of those beautiful buildings.

**The Taoiseach:** Cahir is a beautiful, picturesque town with a wonderful streetscape. Since the opening of the motorway, we do not get through it as often as we would like.

**Deputy Mattie McGrath:** The Taoiseach would be welcome.

**The Taoiseach:** I know that. The stimulus programme provides some funding for the re-opening of heritage sites. We should explore whether that can be availed of to enable the Deputy’s proposals to come through.

**Deputy Mattie McGrath:** The OPW sites are closed.

**The Taoiseach:** I will talk to the Minister responsible about the OPW because some Deputies have raised these issues with me in respect of sites across the country.

**Deputy Joan Collins:** A number of weeks ago I raised the concern of the 12 patients aged under 18 awaiting Spinraza. I knew the Taoiseach would be concerned because he was so involved in the campaign last year. I have not heard anything back from his office. I was hoping that he would respond positively. I got a reply to a parliamentary question I tabled along with other Deputies, which stated Children's Health Ireland, CHI, confirmed that it is in a continuous engagement process with families regarding their child's individual plan for the administration of Spinraza. I talked to Lauren from my constituency this morning who raised it with me. There has been no contact. There was a general contact with the advocacy group. I am concerned that I will not be able to raise the issue again for another six weeks. These patients are waiting in pain for their care even to be set up. I ask the Taoiseach to respond.

**The Taoiseach:** I apologise to the Deputy for not getting back to her on it. As she knows, approximately 35 patients with spinal muscular atrophy, SMA, aged 18 or under are deemed clinically eligible for treatment with Spinraza. To date, 34 patients have been approved by the HSE for use of Spinraza. The HSE has confirmed that a new patient commenced treatment on Spinraza last week, bringing the total number of patients receiving treatment with Spinraza to 19. For patients who had commenced treatment on Spinraza, the service has continued during the Covid crisis but a number of patients who were waiting to start treatment have been put on hold due to the Covid-19 pandemic.

CHI has confirmed that a clinical nurse manager will commence at the end of July. It is working to accommodate the remaining patients bearing in mind Covid-19 social distancing restrictions. Individual treatment plans are being worked out for each of the remaining patients. CHI has informed the Department that it has identified a small number of SMA patients whose cases are extremely complex given the severity of their respiratory failure, the non-invasive respiratory support they require and the severity of their scoliosis. This already complex procedure in administering Spinraza is even more involved with these patients who will require Spinraza to be administered by specialised technique, using interventional radiology. They will require some degree of sedation to tolerate this procedure.

I can forward to the Deputy details of the complexities relating to some of the patients.

**An Ceann Comhairle:** We now move to the Deputies carried forward from yesterday.

**Deputy Alan Dillon:** On 20 June, the Government set up a task force to report to the Minister for Transport, Tourism and Sport and the Government on the restructuring of the aviation sector. The task force report was sent to Government on 10 July. How is it proposed to deal with the task force's recommendations? Are they to be referred to a special committee or dealt with by the Covid-19 committee? If they are referred to a different committee, which Department will oversee its work? Will there be an opportunity for interested bodies to be heard? When are the task force's recommendations expected to be acted on and implemented? As this is a critical national issue, I ask the Taoiseach to take a personal interest in the matter in view of the importance for Dublin, Cork, Shannon and Knock, and for Ireland as a whole.

**Deputy Darren O'Rourke:** On the same issue, I raise the future of the aviation sector. We have all received correspondence from airline pilots, particularly in regard to Aer Lingus, our

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national carrier. There is a real conflict between the interests of the aviation industry and the interest of public health. It is important for the State to step in to support our national carrier. Some aviation workers feel vulnerable regarding the future prospects of the sector and their own jobs. It is a major employer and of considerable strategic importance. Those workers need every support. The future of the aviation industry cannot be built on targeting people who have flights booked but who are not in a position to travel while heeding public health advice. I ask the Taoiseach to step in on behalf of the workers.

**The Taoiseach:** We need to be honest here. There is a fundamental issue in the travel debate and the implications for the aviation industry. I take the Deputies' point that the Government is there to support all sectors of the economy, including aviation. However, the aviation task force had no public health representative or anyone giving a public health perspective on it, which I think was a mistake.

Fundamentally to keep the economy going, we need to be very cautious on the travel issue. Figures this morning from France, Germany, the UK and Spain show spikes in numbers. I think Spain had 14,000 last week.

**Deputy Darren O'Rourke:** Nobody disagrees with that.

**The Taoiseach:** They are really. Last week it was all attacking over green lists and everything else and this week it is different. I take the Deputy's point. People need to come to a position on this. The fundamental problem with the aviation and hospitality sectors is that travel has collapsed, understandably because of Covid-19. The Minister for Transport, Tourism and Sport is, of course, concerned about the survival and continuation of the industry. We need to take note of what is happening. The most effective way we can keep the economy at its current level is to continue to suppress the virus. I regret that travel is an issue in that.

**Deputy Martin Browne:** Page 86 of the programme for Government contains a commitment to tackle the issue of human trafficking while page 98 makes reference to equality and the inclusion of marginalised groups. Do these commitments mean that those affected by the horrific events in mother and baby homes will see the report brought forward as a result? What went on in these homes through the decades was human trafficking with babies being stolen from mothers and sent mainly to America.

I have been working with members of the Seán Ross Abbey in Roscrea, especially Teresa Collins and Mike Donovan, and they deserve answers. At first, they were told that a small number of deaths took place in these facilities, but now it is accepted that more than 1,000 children died in Roscrea, some in very dubious circumstances. They are being told that more than half of the 1,000 died from heart attacks. I ask the Taoiseach to give a commitment to carry out further ground scans of the area around Seán Ross Abbey to allay people's fears that other unmarked sites contain more bodies.

The former Minister, Katherine Zappone, was to publish a report on two different occasions but, as with many other reports, this was delayed.

*1 o'clock*

It is scheduled to be published by 30 October at the latest but can we expect it earlier? Will the Taoiseach make a statement on this matter and assure these families that there will be no more delays?

**Deputy Pat Buckley:** The long-awaited report of the Commission of Investigation into Mother and Baby Homes has been subject to numerous delays. Many survivors and victims have contacted me in recent days and even this morning. They are asking for a commitment from the Taoiseach that the final report, which is promised to be published in October, will not be delayed any further. I ask the Taoiseach for a concrete commitment that the report will be published in October, as promised, in order that the survivors can read it.

**The Taoiseach:** I respect the Deputies' genuine concerns in this regard. I cannot speak to the accuracy of the figures to which Deputy Martin Browne has referred with regard to deaths at the home at Roscrea or at any other particular home. I will check the status of the report and I will talk to the Minister for Children and Youth Affairs about it to get a response for the Deputies.

**Deputy Martin Browne:** Will the Taoiseach give a commitment in this regard?

**The Taoiseach:** I cannot. I understand that legislation was required to underpin what the previous Minister did with regard to Tuam.

**Deputy Chris Andrews:** In 2017, the then Minister for Health said on an RTÉ programme that by the end of that year, no child would be waiting for longer than four months for a scoliosis procedure. In July 2020, children with scoliosis are still waiting longer than four months. I was contacted by the parents of a wonderful and brave 11 year old named Sophie Redmond. She has scoliosis resulting in a 70% curvature of her spine, which is pressing on her lung. When will children who, like Sophie, have scoliosis get the treatment they badly need? It is an emergency and this is a time-sensitive condition. These treatments are needed as soon as possible.

**The Taoiseach:** I accept the gravity of the situation and the need for Sophie to have her operation carried out as quickly and as safely as possible. There is no doubt that Covid-19 has had an impact on non-Covid strands of medicine. Surgery has been very significantly impacted. That is a growing challenge for us as we resume services while the virus continues to be prevalent and while the measures that had to be taken in hospitals to protect against its spread are still in place. Doing operations safely is a challenge in this context. Having said that, time is important for scoliosis interventions. The early delivery of surgery can have a significant positive impact for patients. I will check out the specific case with the hospital concerned and look into the broader question of scoliosis services. I know the Minister is aware of the situation.

**Deputy Éamon Ó Cuív:** The Supreme Court recently issued a decision on various issues with regard to the legality of the leave to apply for substitute consent process. Substitute consent allows applicants in exceptional circumstances to make a retrospective application for a project on which an environmental impact assessment should have been carried out before being undertaken but where that assessment was not carried out. The exceptional circumstances pertaining must be set out in a leave to apply application to An Bord Pleanála. The board determines whether the circumstances are sufficiently exceptional to allow the applicant to be provided with the opportunity to apply for substitute consent.

The Supreme Court has found that the legal provisions on substitute consent do not sufficiently implement the directive on environmental impact assessments in light of various decisions of the European Court of Justice describing how the elements required by Irish law for an application for leave to apply for substitute consent could not be described as exceptional. Urgent amending legislation is needed to deal with that issue. When can we expect such legis-

lation to be brought before the House?

**The Taoiseach:** I will revert to the Deputy in that regard. My understanding is that legal advice to Government on this issue is being considered. I will come back to the Deputy with a more comprehensive reply.

**Deputy Niamh Smyth:** I congratulate the Taoiseach and the Minister, Deputy Foley, on a very comprehensive and detailed roadmap and on the financial package of €377 million to reopen our schools. The additional teachers and support staff, the enhanced cleaning and hygiene measures, and the extra psychologists and guidance counsellors will go a long way in supporting our principals and teachers.

I will speak on the important matter of social distancing and the associated physical implications and need for extra classroom space. Bailieborough community school has an enrolment of 650 students. It is a victim of its own success and has exceeded its physical capacity and therefore needs more space in the form of prefabricated buildings. Will the Taoiseach outline the elements of the Government's plan which deal with the delivery of such buildings to allow for the reopening of our schools in September?

**Deputy Donnchadh Ó Laoghaire:** We have been looking for a roadmap since April, so it is welcome that we now have one. There are, however, deficiencies. Parents of children with special educational needs and those who work in the area, including teachers and special needs assistants, have concerns. I know the Taoiseach has often talked about this issue. I am not here to criticise him but to ask him to fix something in the coming weeks. There is concern that yesterday's circular opened the door to special education teachers being used as substitute teachers. They are also to have a significant role in delivering remote teaching to students who cannot attend school. A dedicated resource should have been provided for this. I am concerned that special education teachers will be pulled from pillar to post to cover absences, breaks and remote learning. Specific resources are needed. Special education teachers' hours need to be ring-fenced for special education. Children with special needs lost out the most. They need greater attention than they are receiving under this package.

**Deputy Jennifer Murnane O'Connor:** I also welcome the package for the reopening of schools. It is very important. One of the biggest issues relates to social distancing for students in third to sixth class. That has become a big issue and many schools have contacted me in that regard. The Minister has asked all schools at what stage any planning applications they have made are. The Taoiseach will know that there are about 20 stages involved in making a planning application for a school building through the Department. The time it takes to complete these stages is now very long. A school applies to the Department, then goes to the planner, then goes back to the Department again. Could these particular builds, which are urgently needed, be fast-tracked because there are a lot of them? I know the Minister is waiting on word back from all the schools that have made such applications as to the stage they are at. Can we fast-track these projects? It is a very important issue and this measure would be a great help.

**Deputy Thomas Gould:** I also welcome the safe reopening of schools. One of the biggest issues on which I am being contacted by the people of Cork North-Central is that of children's access to autism spectrum disorder, ASD, units. There is a complete shortage of such units at the moment. This morning and yesterday, parents have told me that, although schools are to reopen in four weeks' time, their children have nowhere to go. There are no places for them. I ask that new units be set up urgently in Cork city and particularly in the constituency of Cork

North-Central.

**Deputy Michael Collins:** The severe overcrowding in St. Brogan's College has been of great concern to the people of Bandon for quite some time. What will the situation be for children going into secondary school in Bandon in September? Will extra Portakabins be put in place? What is the situation in that regard? Parents were last year advised to send children to Cork rather than to send them to school in Bandon. This is still an issue. There are plans for new accommodation down the road. What is the status of those plans? Parents need answers.

**The Taoiseach:** A range of queries were raised with regard to the reopening of our schools. Fundamentally, there is always and will be a significant degree of local autonomy to be deployed by the schools themselves in terms of the configuration of their own schools and the utilisation of the minor works grants in terms of reconfiguring classrooms and so forth.

The capital programme is a separate programme. I discussed it with the Minister last week. What I have said to departmental officials is that we would like to accelerate any provisions for special needs education in terms of units within schools or special schools themselves. In my view, their capital works should get priority and they should be accelerated. Specific measures will be required for specific schools where there are issues in terms of numbers, in particular in urban areas. The health advice is clear about the application of common sense and balance in terms of social distancing. The roadmap is grounded on that.

In terms of Deputy Ó Laoghaire's concern, that is not envisaged at all. The plan is very clear. For primary schools it is about special schools and special education and it is about post-primary schools. It is not envisaged that special needs teachers or assistants would be used to substitute elsewhere. That is not the philosophy behind the roadmap at all. In some instances, if a particularly strong relationship had developed between a child with special needs and a teacher, one would like to see that continue even if the child is at home, so that some level of contact would be maintained.

**An Ceann Comhairle:** All right. We need to conclude.

**The Taoiseach:** That can be useful and important. Deputy Gould raised a point of which I am aware in terms of autism spectrum disorder, ASD, units in Cork and the need for greater provision. A lot of work has been done over the summer in terms of the provision of some units. Work is under way to assess the need for additional capacity in ASD units and in special schools in the general Cork area.

I take on board what Deputy Michael Collins said about school accommodation.

**An Ceann Comhairle:** That concludes questions on promised legislation. Twenty two Deputies have not been reached, including eight Deputies carried forward from yesterday. We will carry the 22 forward to tomorrow and I will not be minded to take any new speakers tomorrow.

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^ Ceisteanna (Atógáil) - Questions (Resumed) ^

**Cabinet Committees**

1. **Deputy Alan Kelly** asked the Taoiseach when the Cabinet Committee on Social Affairs and Equality will next meet. [16888/20]

2. **Deputy Mary Lou McDonald** asked the Taoiseach his plans for public services reform to be driven from his Department. [17249/20]

3. **Deputy Mary Lou McDonald** asked the Taoiseach the Cabinet committee which addresses matters relating to justice. [17250/20]

4. **Deputy Mary Lou McDonald** asked the Taoiseach when the Cabinet Committee on Social Affairs and Equality will meet. [18476/20]

**The Taoiseach:** I propose to take Questions Nos. 1 to 4, inclusive, together.

The Cabinet Committee on Social Affairs and Equality was established by Government decision on 6 July last. The first meeting will take place on 31 July. It will oversee implementation of the programme for Government commitments in the areas of social policy, equality and public services, including matters relating to justice and public service reform. It will receive detailed reports on identified policy areas and consider the implementation of commitments and reforms.

Membership of the committee comprises the Taoiseach, the Tánaiste and Minister for business, enterprise and innovation, the Minister for climate action, communication networks and transport, the Minister for Public Expenditure and Reform, the Minister for Finance, the Minister for media, tourism, arts, culture, sport and the Gaeltacht, the Minister for social protection, community and rural development and the islands, the Minister for children, disability, equality and integration, the Minister for Health, the Minister for justice, the Minister for education, the Minister for further and higher education, research, innovation and science, and the Minister for housing, local government and heritage. Other Ministers and Ministers of State will participate as required.

In addition to the meetings of the full Cabinet and of Cabinet committees, I meet with Ministers on an individual basis to focus on particular issues. The Department of the Taoiseach has had a direct involvement in a range of public service reform initiatives over the recent period and this will continue under the new programme for Government. Major public reform initiatives will continue to be informed by external inputs and overseen by the Cabinet Committee on Social Affairs and Equality, supported by the Department.

**Deputy Pearse Doherty:** I am sure the Taoiseach shares my view that all children in need of ASD special classes should be able to attend their local school, yet that is not the case despite many years of campaigning by parents. The provision of ASD education supports to children is patchy right across the State at best, with many parts, in particular in the capital city with little or no provision. Our party leader has recently been out meeting parents in south Dublin where certain areas have become a no-go zone for children with ASD to attend, as a result of the lack of provision elsewhere in the city. There is a particular lack of ASD units in Dublin 2, 4, 6 and

6W, with only one school adequately equipped to deliver equality in education for children with ASD, and only at primary level. It is not the case that other areas have too many spaces but there has been a failure by consecutive Governments to deliver on local ASD services for children.

One primary school with early intervention and an ASD unit provides the bulk of educational need for children in south-east Dublin. Parents in that area are left with no option but to enrol their children in schools outside their communities or areas, often on the other side of the city, to enable their children access an education that meets their needs. The families we have been in contact with recently have discovered that the National Council for Special Education, NCSE, does not have accurate data and it does not know that some children have ASD in the first instance. As a result, it cannot plan for the needs of the area. That is a very important issue which is replicated right across the State. After an audit of the Dublin south area, the NCSE has only sought to compel two schools in Dublin 4, 6 and 6W, which have both said they are not in a position to set up a class or unit due to space concerns, yet other schools identified in the audit said they would be interested in providing a class, if they had the space but no space has been provided. The process of ensuring local access to appropriate education needs to be reviewed and schools that wish to set up ASD classes and units should be supported to do so. Those who do not comply with the requirements must be made to do so and adequately resourced and trained, as recommended by the NCSE, because every child deserves to go to his or her local school and every family should be supported to that end, but it is clearly not happening in many areas right across the State.

**Deputy Richard Boyd Barrett:** The fundamental principle in supporting children and families with special needs should be that they get support based on their needs, but that is not what is happening. What is actually happening is the rationing of resources, and then inadequate resources that are not based on the actual needs of children in schools are stretched to the point that they do not provide the support that is necessary. It is not acceptable to treat SNAs with the contempt they have been shown during the period of the pandemic. At one point, SNAs were just informed they were going to work in nursing homes. It was as if the virtual supports they were giving to children with special needs were somehow irrelevant and then there was backtracking on that plan. The pay is pathetic. We need to treat SNAs with respect and we need to have supports for children with special needs that are based not on the rationing of inadequate resources but on the needs of children and providing schools with supports, and of course to address the shocking backlogs in assessment, which are especially acute in particular areas. The people who are protesting outside would like to know that the Taoiseach is taking seriously their issues and the hardships they are suffering.

**The Taoiseach:** I thank both Deputies for the points that they have raised in respect of special education. I speak as someone who back in 1998 when I was Minister for Education and Science brought in the first ASD unit in mainstream schools. At that time autism was not even recognised as a category deserving of special educational provision in the form of special pupil-teacher ratios or as a category of disability. I also introduced SNAs for the first time into mainstream education. I have kept a long-term interest in this area. The key agenda then was to create an automatic entitlement to a school place for children with special needs. I am not satisfied with the current situation. I think that last year, the National Council for Special Education, NCSE, was given the power to recommend that the Minister direct a school to provide for special education in the form of a class or ASD unit at second level. As Deputy Doherty said that has been used sparingly. So far I think there have been two cases. We need to review

that legislation. In my view, there has to be a cultural shift as well, particularly at second level. All schools have to be open to having units for children with special needs if they are required in the context of ASD or indeed general provision. Of course they have to be resourced in order to do that.

In the early days when all of this started, there was tremendous momentum behind it and principals took it on board and got resources. They did not get those resources immediately but they did get them. That said, there is a particular problem at second level. I would like intervention to be earlier, with the Minister and the Department, on foot of recommendations from the NCSE, moving to ensure that units are provided in schools and that resources are provided. There should be greater advocacy for the child within the system. Under the current legislative framework, parents are applying to different schools and get support from the special educational needs organiser, SENO, on the ground but very often, it is the parents who are chasing schools to see if they can get a place for their child. The system should be coming to the family, having identified a suitable, optimal place for their child. That is what I would like to see in place and I am working with the Minister and Ministers of State at the Department of Education and Skills and with the NCSE who have known my views on this for a long time prior to my coming into government. Those two measures would help to broaden access and participation but above all, to ensure that children can get access to places in their own schools in their own communities. That will require a shift in approach on all fronts, within schools, the Department and the NCSE. That is the direction of travel, as I see it.

### **Cabinet Committees**

5. **Deputy Richard Boyd Barrett** asked the Taoiseach when the Cabinet committee on economic recovery and investment is set to next meet. [17243/20]

6. **Deputy Mary Lou McDonald** asked the Taoiseach when the Cabinet committee on economic recovery and investment will next meet. [17251/20]

7. **Deputy Alan Kelly** asked the Taoiseach when the Cabinet committee on economic recovery and investment will next meet. [18556/20]

**The Taoiseach:** I propose to take Question Nos. 5 to 7, inclusive, together.

The Cabinet committee on economic recovery and investment was established and first met on Wednesday, 8 July. It subsequently met on 15 July and again on 21 July. The committee's terms of reference are to oversee the implementation of the programme for Government commitments aimed at sustainable economic recovery, investment and job creation. The committee will operate in accordance with established guidelines for Cabinet committees and substantive issues will be referred to Government for discussion and approval. The Cabinet committee's immediate focus has been the development of proposals for a July jobs stimulus in line with the commitments in the programme for Government. The July jobs stimulus, a package of over €7 billion worth of measures, was announced by the Government on 23 July. It is designed to stimulate a jobs-led recovery and to build economic confidence, while continuing to manage the impact of Covid-19. It includes measure to extend income and employment supports to affected individuals and companies, to help people get back into work, training or education, to build confidence among businesses and support them through the months ahead, to invest in job-rich infrastructure projects in every part of the country and to invest in areas of future

growth like the green economy.

The July jobs stimulus is a further step in the Government's response to the Covid-19 pandemic and will be followed later this year by a national economic plan to chart a long-term jobs-led recovery. In accordance with the programme for Government, the Cabinet committee will meet at least once every four weeks. The next date is to be confirmed.

**Deputy Richard Boyd Barrett:** Notwithstanding the U-turn the Government was forced into on the pandemic unemployment payment, PUP, and travel I do not think the Government really gets the anger that is being felt by the economic victims of the Covid-19 measures. I have been trying to explain to the Taoiseach and to other Government spokespeople for weeks now that there are particular cohorts of people who have been savaged, decimated and put on their knees because of the economic consequences of public health measures. These people are likely to face the devastation of their livelihoods for the foreseeable future through no fault of their own. They are taxi drivers, people in the arts, music and live entertainment, as well as the crews behind the scenes in those areas. To that list one might add people in the bar sector. The Government has completely shafted those people, who faced the same hardship as everybody else and who are still facing it.

Let us start with taxi drivers. Taxi drivers are now being whipped back to work because of the cuts the Government has imposed on the PUP via the new conditions. The work available to them is about 20% of what was available pre-Covid because their livelihoods are linked to tourism, music, live entertainment, theatres and so on. This will be the case for the foreseeable future. What has the Government given them in the Bill debated last night or in the Bill before the Dáil today? I am trying to get in an amendment in respect of the latter but apparently I cannot. My amendment deals with a question, namely, whether the Government give taxi drivers access to the wage subsidy scheme as a step-down payment in the same way it has given companies access. The answer is "No". The Government has given taxi drivers nothing. Did it give them access to the restart grant? The answer is "No". Did it give them measures that would not even have costed the Exchequer anything, such as the ten-year expiry date on their vehicles being extended to 15 years? The answer is "No".

The Government has given taxi drivers nothing; it has shafted them. They are suffering through no fault of their own. The same is true for arts workers. Musicians have been shafted as well. They do not get the grants, they do not get an income subsidy and now they have had their pandemic unemployment payments cut. What is the Government doing for these people who are suffering and are likely to suffer as a result of the economic fallout of measures the Taoiseach's Government has imposed? The answer so far has been nothing. It is not fair and it is not right. I can tell the Taoiseach that the Government is storing up a big revolt among these sectors of society unless some supports are offered to them this week. They are angry. A lot of them are people who used to vote for Fianna Fáil and they are angry. There are going to be protests unless the Government does something. It is driving a coach and horses through the principle that we are all in it together. Unless the Government gives these groups some support, it is stabbing them in the back. So far they have got nothing.

When I have asked about this in the Dáil over the past few weeks, the Taoiseach and other Government spokespeople have wittered on and said that these groups would get some of the business grants. This morning their representatives called both the Department of Employment Affairs and Social Protection and the Department of Business, Enterprise and Innovation asking whether they could access the business grants. The answer was "No". Why are they being

refused? Why are companies getting these grants and a taxi driver cannot? It is not fair.

**Deputy Mary Lou McDonald:** I wish to raise the absence of the arts from the July stimulus strategy with the Taoiseach. The Government's treatment of people in receipt of the pandemic unemployment payment in recent times has been well voiced by all of us in opposition. The Government's decision yesterday evening to oppose the Sinn Féin amendment to the Social Welfare (Covid-19) (Amendment) Bill 2020, which recognised the unique situation of workers unable to return to work due to the public health emergency was very disappointing. The Taoiseach now finds himself in the incredible situation that both the Free Legal Advice Centres, FLAC, and the Irish Council for Civil Liberties, ICCL, have raised the legality of his Government's decision to financially penalise PUP recipients for travelling. As is the Taoiseach's wont, he has sought to muddy both organisations' core issues as he responds to these questions.

As the Taoiseach is aware, one of the sectors unable to return to work is the arts. It is worth noting that 72% of artists earn less than the minimum wage. I recently met representatives of the sector in Dublin and in Galway last Friday. I had the pleasure of visiting the Town Hall Theatre but sadly had to enjoy it as an empty space that will not be in use for quite some time. The Taoiseach pushed legislation last night which told musicians, actors, stage producers and set designers that they must be actively seeking work to retain their PUP. Where and from whom are these workers to seek employment in a sector that is shut down? What is the Government's plan for the arts sector? What is the specific investment the Government intends to make? Where will the money be spent? How much will be provided over the next 24 months? In the one mention of the arts in the stimulus plan, the Government lobs the sector in with a range of heritage, arts, tourism and Gaeltacht-related projects. How much of the €40 million allocated to these various sectors will the arts actually receive? Prior to Covid, the National Campaign for the Arts had called for a doubling of investment in the arts. This figure post-Covid will need to be revisited. Is this the Taoiseach's intention?

**The Taoiseach:** To answer Deputy Boyd Barrett's points on the taxi drivers, the pub sector, entertainment and the arts, the PUP covered a lot of those sectors as, indeed, did the wage subsidy scheme, which covered quite a number of pubs. In fact, there was an enormous intervention by the State, which just gets dismissed and ignored and the Deputy uses language such as that people were shafted. A total of 1.1 million people were on State supports at one stage during Covid-19 because it has been an extraordinary and unprecedented pandemic that has negatively impacted on people and jobs. I get it. Of course, it has been devastating for many sectors, particularly the collapse of the travel trade, tourism and people travelling in and out of the country, which has had a huge impact on hospitality and tourism in general and, consequently, on taxi drivers, pubs and the arts and entertainment more generally. I understand this.

With regard to Deputy McDonald's point, prior to this Government coming in, the interim Government provided substantial funding to the arts in response to the campaign by the National Campaign for the Arts at the time. In the July stimulus, provision has been made for the arts in respect of a new drama and TV fund of €3 million and €2 million for a sound and vision fund.

I have spoken to the Minister, Deputy Catherine Martin, on this and on the need to create employment opportunities for artists in sectors where they may be under-represented, such as in education, for example. We should increase the number of artists in residence in schools or give greater supports to theatre and education companies and create new employment alternatives and performance supports for artists online. All of this will never replace what was there prior to Covid but our objective will be to work with the artistic community to try to create meaning-

ful supports for them. We understand that as a specific group they require a specific response, given the nature of the employment and the fact Covid-19 has dramatically impacted on their way of life, particularly with regard to the audiences on whom many artists depend. We are very aware of this and the various supports, from the employment wage subsidy to the PUP, have made a telling and important impact. They will never replace what was there for many people but at least they have helped people to get through this period.

Other measures include the restart grants, which apply to those paying rates. There are challenges once we go outside this as to how we structure and validate them and how we can give additional supports to those who do not have rateable premises. Other taxation measures may be of assistance to taxi owners and drivers but in some cases they may not. There is a combination of measures which, if we add them all up, can be of assistance.

I am very conscious of the need to work on these specific sectors. More broadly, there will be continued focus on the childcare sector, and on the hospitality and tourism sector in general. With regard to pubs we had to take the decision we took to defer the reopening of phase 4. That will come up for examination in the coming weeks, with regard to 10 August, and we will be guided by public health advice. Last week, I met the publicans' representative bodies in this regard and I am acutely aware of the very difficult situation that many publicans throughout the country-----

**Deputy Richard Boyd Barrett:** Can we have a brief supplementary question?

**The Taoiseach:** Of course.

**Deputy Richard Boyd Barrett:** I am asking the Taoiseach in advance of the Bill tonight, and I know it is late but-----

**The Taoiseach:** Sorry?

**Deputy Richard Boyd Barrett:** The Bill tonight. I ask that the Government amend it to make the income subsidies available to employers available to the self-employed in sectors such as the arts, music, live entertainment and taxi drivers. They are having their pandemic unemployment payments cut but, unlike other people, whom Government is trying to encourage to maintain their relationship with employment, there is no step-down subsidy for them. They want to work but no work is available for them or there is very little work.

**An Ceann Comhairle:** The Deputy has made the point. Can we hear the Taoiseach's response?

**Deputy Richard Boyd Barrett:** I am just asking this because it is very important. Will the Taoiseach please give them an income subsidy scheme or a step-down scheme?

**An Ceann Comhairle:** The Deputy does not have to repeat himself. He has asked the question. Can the Taoiseach help?

**The Taoiseach:** To be fair, the Tánaiste has looked at all of this, and in the context of the July stimulus, we all collectively looked at it. It is not as simple or as easy as the Deputy has put forward. There are real issues with regard to its administration and validation throughout the economy. I take the general point he made and we will continue to work on this with regard to how supports can meaningfully be given to people in the situations he has outlined. I am not so sure whether the amendment to tonight's legislation is the appropriate vehicular mechanism

to do it because the broader question is the restart grant and its application.

**Deputy Richard Boyd Barrett:** They are not getting it.

**The Taoiseach:** I know that and there is a reason. It is very straightforward in terms of businesses that are valued for rates purposes. There were significant logistical difficulties with it.

### Departmental Offices

8. **Deputy Ruairí Ó Murchú** asked the Taoiseach the timeframe for the establishment of the shared island unit; and the status of the process to date. [17264/20]

9. **Deputy Niamh Smyth** asked the Taoiseach if he will report on the establishment of a unit within his Department to work towards a consensus on a shared island. [17957/20]

**The Taoiseach:** I propose to take Questions Nos. 8 and 9 together.

As set out in the programme for Government, a new shared island unit will be established in the Department of the Taoiseach, which will use the potential of the Good Friday Agreement to deliver sustained progress for all communities. This unit will work towards a consensus on a shared island and will examine the political, social, economic and cultural considerations underpinning a future in which all traditions are mutually respected. Work on its structure, staffing and work programme is under way and I hope the unit will start this work in the coming weeks.

**Deputy Mary Lou McDonald:** The sooner we have some sense of the shape and direction of this new unit, the better. The objective of working towards a shared Ireland and an Ireland in which we have agreement and consensus where that is possible - and we are not going to have consensus on all matters - is worthy. However, there is a need that must also be met in preparing for the reality and prospect of constitutional change on the island. I look forward to a dialogue through which we figure out exactly how that is done in a staged fashion.

I suppose the notion of a shared island and shared Ireland has been at no time more acute than in the times we live, when we are going through a public health emergency. We have had many conversations across the floor on the issue of travel, international travel, lists, green lists and the presence or absence of adequate protections at our ports and airports. The North-South Ministerial Council will meet on Friday. I very much hope there will be a substantive conversation on a single approach to managing travel onto and off the island, and there will be a conversation on a common standard for checks and balances for those coming onto the island. Can the Taoiseach confirm that he will pursue this matter and that he is committed to an all-island approach on these important questions? Can the Taoiseach also confirm that he is in favour of, and will advance the case for, a meeting of the British-Irish Council, as called for by the Northern Executive, to have another and complementary conversation on the common travel area for island-to-island travel between Ireland and Britain and on how to ensure there are the required safeguards and precautions? The objective in all of this is to keep people well and safe.

**Deputy Niamh Smyth:** First, I welcome the Taoiseach's pledge to work towards a consensus on a shared island and the establishment of the unit in his Department. A key part of the work ahead will be to undo the damage done by Brexit over the past four years. I know it will be a priority for the Taoiseach to protect the peace process and the all-island economy in the context of the future UK and EU Brexit agreement. Will the Taoiseach outline the status of the

shared island unit and how he intends to move forward? The Border region must ensure and maintain a seamless border and nurture a shared island by consensus. In the past 20 years local authorities in the Border region such as Cavan County Council and Monaghan County Council have worked tirelessly on the delivery of projects that have nurtured a shared Ireland and shared communities and have ensured that polarised views do not take hold in those areas. It is vital that this mantra is continued. I look forward to hearing the Taoiseach's vision for this new unit in his Department.

**Deputy Richard Boyd Barrett:** People Before Profit is one of a minority of political parties in the Dáil that have elected representatives in the North and the South. We have representatives in the Northern Ireland Assembly and in councils in the North. The reason is that we believe in ending partition and uniting this island, not because we are bleary eyed nationalists but because we are internationalists and oppose partition in the tradition of James Connolly. James Connolly understood how one developed a tradition of a shared island and why partition was about dividing people and setting them against each other, which would lead, as he correctly predicted, to a carnival of reaction with green and orange at each other's throat. He argued, and it is as relevant today as it was he first made the argument, that one must unite working people on the things they have in common to break the shackles of partition and empire.

What does that mean today? I will give two concrete examples. We will never convince people in the North to be part of a united Ireland unless we have a national health service. We must move immediately to a national health service, not back to the two-tier system as the Government is doing currently. Why on earth would people in the North join a dysfunctional two-tier health system? They will not do it, so we must move immediately to a national health service. Second, we must immediately separate church and State. Why on earth would people in the North join a state where 90% of the schools are controlled by the Roman Catholic Church? There is no chance they will do it. We still tolerate a situation where the Religious Sisters of Charity are closing down nursing homes on the Merrion Road because, for some reason, a religious organisation controls nursing homes and can close them down even though they are funded by the State. Why on earth would people join a state that allows that to happen?

These are the things we must do if we want to share the island and convince people that overcoming historical divisions is in their interest. That is how we will do it. People in the North are angry about the state of their health service. They would like to fight for a new and better National Health Service where people get access to healthcare on the basis of their need, not on the size of their wallets or the austerity that has been imposed on the service. They would also like to be in an education system in which everybody is treated equally. We could share that education system and have integration of our children. If we lead the way in progressive, radical change such as that, in the tradition of James Connolly, we will become an attractive option for the idea of ending partition and uniting this island.

**The Taoiseach:** First, in response to Deputy McDonald's questions, I welcome the fact that we are having a North-South Ministerial Council on Friday, the first in three and a half years. I look forward to it. I hope it can create a structure that will help us deal with the undoubted difficulties, as Deputy Niamh Smyth pointed out, that Brexit has brought about in respect of relations on the island and in terms of its economic and social impact. We must navigate and manage the island in a post Brexit situation and the North-South Ministerial Council gives us a structure to manage the issue as best we can, notwithstanding different perspectives on it from different participants at the council.

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On the issue of the public health emergency that Deputy McDonald correctly raised, there is a memorandum of understanding between the Chief Medical Officers of the North of Ireland and the Republic. We need to flesh out what we mean by a single approach. One of the challenges here is that there are, de facto, two jurisdictions. There is an Executive and Assembly that are linked into the wider UK medical advice system. The CMO in Northern Ireland works with the Scottish, English and Welsh CMOs and has a good relationship with our CMO as well. However, we must have a reality check of what is possible and what is not possible, and be honest with people in that regard. In terms of a common standard of checks and balances, if we are honest about the evolution of this, and I must make this point, what has transpired is that the Republic has had a much stricter travel guidance than anywhere else. It is certainly stricter than what is in the North at present as well as what is in the UK. The UK is now beginning to change with regard to Spain because of the spike in the numbers there. It is important that we collectively recognise the dangers that travel can present by creating spikes in the number of cases on the island. I believe we must try to work towards a joint approach in that regard.

I received a letter from the First Minister and deputy First Minister in respect of the British-Irish Council meeting. We have no difficulty with or objection to that but, again, that might not resolve all the issues in respect of the common travel area or different travel guidance issuing from different de facto jurisdictions. That is the position we are in. We share common advice with Northern Ireland in that we are telling people that the safest option is not to travel during Covid-19, and that will remain the case. On the operational issues with, for example, people using Dublin Airport and so forth, we have to build up a stronger presence there. That work is under way in terms of an electronic passenger location mechanism, the Department of Health working on randomised testing at airports and other measures designed to limit and reduce travel in and out of the country. That work is ongoing.

The position with the reopening of society is how to live with Covid-19 while at the same time having a reasonable quality of life for people and reasonable, sustainable economic activity. The CSO figures for May and June are interesting. They show that in June, in particular, there was a dramatic increase in retail activity over the previous month. It is the highest on record. The quarter is not comparable to the same quarter last year yet, but it shows what is the balance. As we reopen the economy we can see some benefits from it, but we must be clear that the fastest way to damage the economy again is to have a re-emergence of the virus in a significant form. In terms of the all-island approach, there are challenges in getting a common standard. It is not as simple as saying it. That is the point. That has been the story, but there has been much closer engagement between the two CMOs.

I take Deputy Niamh Smyth's point about the polarisation that has occurred. We want to try to create an approach that will constructively enable people who have come from different perspectives on the Brexit question to work to make this work for the island of Ireland. There is an opportunity through the protocol being adhered to, in particular for Northern Ireland, to get the best of both worlds, with access to the Single Market into the future. We will work towards that.

Deputy Boyd Barrett referred to the vision of James Connolly, which was a noble vision. I take the Deputy's point about the National Health Service and the disparity between the two health services. One of the ideas behind the shared unit is to work on the principles of the Good Friday Agreement around the set of three relationships, the British-Irish relationship, the North-South relationship and the relationship between the two communities in the North. Another of the ideas is to work out practical issues such as how we share health services on the island of

Ireland. At the meeting I had last week with the First Minister and deputy First Minister, we discussed issues such as access to Altnagelvin Hospital for people from the Republic and cardiac surgery for children on an all-island basis. I am in to making the incremental progress that we need on a lot of these issues.

As for education, we have made progress in terms of patrons of education, Educate Together, Gaelscoileanna and the Church of Ireland. We have different systems here. The North of Ireland has not developed integrated education to the degree people would have hoped.

**An Ceann Comhairle:** Will the Taoiseach give way to Deputy McDonald?

**The Taoiseach:** Yes.

**Deputy Mary Lou McDonald:** I am glad to hear that news about the British-Irish Council. I am, however, disappointed that the Taoiseach is maintaining what I regard as a fairly passive stance towards the absolute necessity for an all-Ireland approach to human health. We have such an approach to animal health. Why on earth would we not have one for human health? The Taoiseach will recall from leaders' meetings before he was Taoiseach that I have raised from the beginning the absolutely essential nature of the island as a single epidemiological unit and the fact that to keep us safe the Government has to keep all of us safe. The Taoiseach is at times critical of positions and stances taken by the Northern Executive. That is his entitlement. He regularly hangs those positions and stances around the neck of Sinn Féin uniquely, even though the Northern Executive is a five-partner Government, as he knows.

**An Ceann Comhairle:** We are out of time now.

**Deputy Mary Lou McDonald:** The North-South Ministerial Council is the Taoiseach's opportunity to bring his critique of the Northern position on international travel to the table, to debate it with our colleagues and to press for a solution. We will support him in that because that is our view as to what must happen. We need a single island system of protection. That is the only way we will get ahead and stay ahead of this virus. That is the truth.

**An Ceann Comhairle:** We are way over time.

**The Taoiseach:** Deputy McDonald seeks to politicise this all the time. She uses language such as "a passive approach". I am not adopting a passive approach to all-island health - not at all. She knows this but it does not stop her from saying the contrary for political reasons.

**Deputy Mary Lou McDonald:** I was describing the Taoiseach's passive-----

**The Taoiseach:** The Deputy's presentation is always about politics, not the substance of the issue. She keeps going on about the all-island approach. I did not open up Northern Ireland to 57 countries.

**Deputy Mary Lou McDonald:** No. This is about an all-island approach.

**The Taoiseach:** You are attacking the Government here.

**Deputy Mary Lou McDonald:** I did not attack the Government.

**The Taoiseach:** You did.

**An Ceann Comhairle:** We are not getting anywhere.

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**Deputy Micheál Martin:** The Deputy is attacking the Government non-stop. I understand that the Northern Executive involves a wider engagement with others. My main approach when I met the First Minister and deputy First Minister was to say travel is a problem and that it is a problem that many will come back through Dublin Airport from about 56 countries. The Republic has a restricted list whereby it is stated that people coming back from 11 countries do not need to restrict their movements. I want to work in good faith with people. I do not want to roil all this in endless political positioning, which is what Deputy McDonald is at, and she has been at it for quite a long time. That is what the Sinn Féin approach has always been. It has been politics first and the substance of the issue second on a whole range of issues.

**An Ceann Comhairle:** We need to conclude. We are over time.

**The Taoiseach:** It is about sloganeering, ascribing base motives to everyone and so on. That is what Sinn Féin is about. I regret to have to say that.

*Sitting suspended at 1.55 p.m. and resumed at 2.55 p.m.*

### **Financial Provisions (Covid-19) (No. 2) Bill 2020: Second Stage (Resumed)**

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

**Deputy Róisín Shortall:** On the help-to-buy scheme, I never thought it was a good idea and I certainly do not think so at this point. It appears to show a misunderstanding of the problem at the root of the cost of housing and the unaffordability of housing. That problem is the cost of land and the failure of successive Governments to address this issue. They have allowed widespread land hoarding to continue and, in so doing, allowed developers to control the cost of land and, therefore, housing. This subsidy approach is absolutely wrong. A subsidy fuels the cost of housing and contributes to house price inflation. We would be better off spending the money used for this subsidy. Rather than putting it into the pockets of developers, we should use it for a proper affordable housing scheme.

We know that claims to date have amounted to €271.4 million. As of last September, roughly 21% of help-to-buy scheme claims were for properties priced at over €375,000. This suggests people with incomes in the region of €100,000 and I am not sure that is what we should be doing in providing housing subsidies. The scheme undoubtedly benefits higher income households. We would be better off scrapping the scheme and putting the money into building affordable housing.

The cycle-to-work scheme is a good scheme but there are flaws in it. I have no idea why we need to increase the upper limit for the cost of bicycles. It seems excessive. There was an understanding we would move away from variable tax-based schemes and that tax relief would be provided at the standard rate. It is a two-tier approach to providing support to people and militates against those on lower incomes who are paying a 20% tax rate.

Sections 10 and 11 deal with carry-back rules for income tax relief for the self-employed as well as corporation tax losses. Like many other parts of the July stimulus, these measures are not sector-specific, which means they are less effective at targeting businesses specifically impacted by Covid. There is a question of whether business viability outside of the Covid context

will be taken into consideration with tax loss relief.

I will raise some technical issues, particularly in relation to the temporary wage subsidy scheme. Revenue proposed to implement the scheme by means of a new PRSI class. If this happens, apart from significant difficulties in implementation, it would continue to mark or identify an employee's payslip when viewed by banks or other third parties. This would cause damage and disadvantage to an employee. The Payroll Software Developers Association is providing an alternative way of processing the payroll and I would like the Minister for Finance, Deputy Donohoe, to indicate whether he is open to considering its proposal.

*3 o'clock*

I want to point out a particular flaw in the wage subsidy scheme. The subsidy zones are banded such that there is no subsidy provided to employees who are earning less than €151.50. This means that a person earning €150 per week gets no subsidy at all. This creates an incentive for an employer to increase people's hours to bring them up to a wage of €152 per week, in which case they will get back €151.50. There will be significant pressure on employers to increase some people's hours and that may well be done to the disadvantage of other workers, who will lose hours as a result. I ask the Minister to examine the banding under the scheme because employers will undoubtedly be tempted to pay nobody less than the threshold of €151.50.

Regarding employer's PRSI, there is potential for substantial savings and, therefore, substantial losses to the Social Insurance Fund. The Bill is not specific in this regard and it is important that the Minister should provide some information on it. I am not sure it is a good approach to take, especially considering that employer's PRSI in this country is very much out of line with what applies in the rest of Europe. This provision potentially represents a big disadvantage and we need clarification on it.

I am not at all in favour of cutting the VAT rates. It is a very expensive measure to take and it is also a blunt instrument. The decision to cut the standard VAT rate from 23% to 21% will do very little to help anybody. This rate applies to high-end goods and a lot of imported goods and, as such, it is not what we are looking for. The cost of the change, at €400 million, could be much better spent on targeted supports for people in the most affected sectors. The provision is regrettable and I ask the Minister to consider it again.

**Deputy Holly Cairns:** While I welcome some aspects of the Bill's in regard to tourism, representatives of the industry in west Cork have pointed out that it does not go far enough to help the sector, which is one of most impacted by the pandemic. Tourism and hospitality is one of the main industries in west Cork and throughout rural Ireland. These small, often family-run, businesses provide vital employment and services in towns and villages, as well as being an outlet that local farms, fishing communities and food producers supply and rely on. The extension of the restart grant to a broader range of SMEs corrects some shortcomings of previous schemes. The specific reference to bed and breakfast accommodation has provided assurances for many businesses. However, the industry needs more ambitious grant funding rather than an extension of the credit guarantee scheme. Tour operators, restaurants, hotels, guest houses and everybody else in the hospitality sector need proper support, not more debt.

The other specific intervention for the tourism and hospitality sector, namely, the stay and spend incentive, is fundamentally flawed. It should be a simple voucher system, not a complex tax rebate that favours those who can afford to spend more and do without that money until it

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is rebated. People who cannot afford to avail of it and individuals who fall outside the tax net for different reasons are excluded. In addition, the October to April limit on the rebate covers the period when many businesses in the sector are closed. This incentive is of little use to them. Instead, a voucher of €125 should be provided to people to allow them to enjoy and support the hospitality sector in their local area or any of our many wonderful tourist destinations. That would allow for a greater uptake and would not discriminate against anybody. A simple voucher system, applicable for a longer period of the year, would improve the effectiveness of the scheme, enable people to holiday and dine out, and benefit the entire sector. The industry has been calling for a clear intervention for months. Instead of the planned blanket 2% VAT cut, a targeted cut for smaller retailers and the hospitality industry would be more effective.

The measures in the July stimulus to promote rural cycling, which could bring new forms of sustainable tourism to many areas, are beyond disappointing. They amount, in effect, to a planning exercise and the piloting of 20 km of cycleways this year. The plan also refers to the provision of greyways, that is, the use of hard shoulders on regional roads as cycleways or footpaths. Greyway provision seems to be a new policy, which is not referred to in Transport Infrastructure Ireland's, TII's, rural cycleway design document, and it sounds completely unappealing. If the Government is serious about developing cycling facilities and sustainable tourism, we need greenways. TII and accessibility campaigners classify greenways as fully segregated cycleways and paths. The programme for Government promises an integrated national greenway strategy. Greyways are a false start.

This pandemic has shown us all how to look at the world differently. It is very important, now more than ever, that the Government takes a more innovative and ambitious approach to supporting the tourism and hospitality sector in a sustainable way, especially in rural Ireland. The survival of many small, family-run businesses depends on it.

**Deputy Richard Boyd Barrett:** I am sharing time with Deputy Barry.

The wage subsidy scheme is a good scheme in principle, which tries to ensure that people who lost jobs and income as a result of the Covid-19 measures have a road back to employment, retain their relationship with their employment and have some sort of income support to sustain them through the very difficult period of the lockdown, when people, collectively and based on the principle that we are in it together, endured very significant hardship to protect our society from the virus. While it is correct to look to extend that scheme to protect people, his failure to provide support for particular sectors, namely, those hardest-hit by the measures taken to protect us from the pandemic, is destroying the solidarity that existed and threatens to undermine the principle that we are all in it together. This is a very dangerous thing to do when it is very likely that there will be a second wave of infections and further spikes. If there is a second wave and we have to call once again on people to come together and make sacrifices for the common good, the Minister will have done extreme damage to the goodwill of those who are being hung out to dry in the current situation, where he has started to dismantle the pandemic unemployment payment, PUP, support scheme without putting anything its place for particular groups.

The Minister can probably guess which groups I am talking about because I have been referring to them repeatedly for weeks. In the case of two of those sectors, I fought very hard to get their representatives in front of the Special Committee on Covid-19 Response, where they presented their case. However, it appears that the Government is just not listening and I do not understand why that is the case. The two groups are, first, people in the arts, music, live entertainment and the events sector and, second, taxi drivers. Both of these groups have been given

no roadmap to full recovery of their incomes and they are being savaged by the cuts to the PUP. This morning alone, I had ten emails from taxi drivers who have had their payment cut. I am inundated, as I expect many Deputies are, by correspondence from musicians and others in the arts sector who have had their payments cut. I was able to get their representatives before the committee, where they explained their plight and begged, urged and appealed to the Government to provide them with an income subsidy until such time as the sectors in which they are employed fully recover. The Government has ignored them.

I appeal to the Minister to reconsider, even at this late stage, and to provide them with specific supports. Their requests are very reasonable and he could have met them in this Bill. I tried to submit amendments but encountered difficulties. The Opposition has bent over backwards to accommodate the Government by waiving pre-legislative scrutiny and allowing guillotines on all the Bills that need to be put through. Some of the amendments I submitted earlier were refused because they were too late, even though I submitted them before Second Stage. That is unfair. It is not the Minister's fault but I appeal to him to address this matter, even at this late stage. If employers can get a wage subsidy, why can taxi drivers, who are their own employers, not get the same? Why can they not get an income subsidy when their business has collapsed by approximately 80%, which is much more than the required percentage to benefit from the wage subsidy that employers are getting? The Minister can ask any taxi driver who is going out looking for work at the moment. They are getting a fraction of the work, because their previous work was strongly linked to the sectors most hard hit, such as tourism, music, live entertainment, theatres and bars that are now closed. That was a significant volume of their work. It is now gone and they are, therefore, struggling. Taxi drivers have made a few requests, some of which do not even require money. They asked for a step-down income subsidy, which the Government could have put in this Bill; a moratorium on the further issuing of taxi licences, given that we have more taxis in this city than in New York city; the ten-year rule for replacing their cars to be changed to 15 years because of all the income they have lost; and to benefit from the restart schemes, from which they are being excluded. They still have fixed costs to cover such as insurance, paying taxi companies and other fixed costs, which were estimated in one recent report to be €11,000 a year. They are being denied even the €1,000 grant from the Department of Employment Affairs and Social Protection, never mind the €4,000 grant that is being given to other businesses. How is that fair? I ask the Minister to provide some support for these workers.

The Government's failure to support a particular cohort of taxi drivers is endangering lives and public health, because older taxi drivers aged over 66 did not get the PUP and continued to work during the pandemic, thus endangering their own health when they should have been cocooning. Many of them decided to stop working but are now being whipped back out to work when they do not feel safe doing so. That is unfair and it endangers the public health effort as well as those drivers' specific health. I appeal to the Minister to engage with these workers and to provide them with some supports until their sector, which has been decimated through no fault of their own, recovers.

Similarly, musicians, artists, crews and so on need some support for their sector as well. In many cases, they are not benefitting from the grants and their income supports have been cut due to the PUP cuts. I refer to people who play music in bars or bands that do weddings. There are restrictions on the number of people that can go to weddings, and fewer people are likely to get married in the current circumstances, so there is less work for them. There might be a bit of work available and they might get the odd gig, but it is nothing like it was previously. They

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need an income subsidy, which is a floor below which they will not go and which they can earn a bit on top of. That is the same principle the Government is applying to employers, so why can it not apply it to these sectors that have been especially hard hit? The Government should do that because its treatment of these workers contrasts with the way it is treating employers. Money is being thrown at employers liberally.

I assume the reason the Government will not give money to arts workers and taxi drivers is that it is afraid they will scam the system. When I asked earlier why the Government was not supporting them, the Taoiseach said that such supports were hard to administrate. That is code for the Government being afraid it will be scammed. This is the same impulse that led to the cuts in the PUP, the travel advice debacle and so on. Basically, the Government thinks that lower-income workers and the less well off are going to scam the system. That is the bias that is operating here, whereas we will throw billions of euro at big businesses and are not too worried about whether they might be scamming us. Many of those businesses are profitable. There are no provisions in this Bill to ensure that big businesses, which are making significant profits, are not ripping us off and taking advantage of the subsidy scheme. There is no scrutiny there and they are not excluded while others are. It is not fair. I appeal to the Minister to be fair, first, because fairness is important in and of itself but, second, because we are all in this together. The social solidarity we will need in the face of Covid-19 for the foreseeable future will be absolutely wrecked if the Government continues in this manner. Many of these workers have expressed a lot of anger and despair about this.

Finally, employers that are being given the subsidy should not get it unless they recognise trade unions. If they are guilty of collective redundancies, unilateral pay cuts or taking advantage of this wage subsidy, they should not get it. There should be conditions attached to big and profitable businesses benefitting from this subsidy to guarantee the rights of workers.

**Deputy Mick Barry:** I will share the remaining time with Deputy Paul Murphy, who will be present shortly. I will refer to the July stimulus but I will first make some specific comments about the TWSS and the PUP. I welcome the fact that the payments are being continued into 2021, albeit with the TWSS under a slightly different guise. However, I do not welcome the fact that the PUP is due to be cut on 17 September and that workers who are out of work through no fault of their own will be forced to take pay cuts of between €50 and €100 a week. The Government's July stimulus package will give more than a few people in such circumstances a nasty September shock.

Though I am here to discuss these payments, I will also comment in passing on the U-turn the Government performed this morning regarding the PUP and holidays. That U-turn shows two things about this Government. First, it shows that there is a basic right-wing instinct in this Government. Second, it shows that this is a weak Government that can be forced into climb-downs when it takes a step too far or attacks the rights of ordinary people. Ordinary people should take note of that because what happened this morning is significant.

The July stimulus has been hailed as by far and away the biggest stimulus package in the history of the State. It certainly is big in comparison with the past. The question is whether it is big in the context of what is needed now. It represents 1.5% of GDP, but when combined with all the other measures that have been introduced since March, it equates to 4.3% of GDP, which is the European average for such packages, although it is less than Germany's 4.9% or France's 5%. It is well below the US package, at 12.2%, or Japan's, which is more than 20%. The grant aid for small, medium and big businesses is somewhat blind to the question of the

size and needs of different firms. For example, a larger company, which may have profited from the pandemic, has a large cash surplus and is paying large dividends to shareholders, is able to tap into the grants through the reduction in VAT, the waiving of rates, and so on.

I strongly support Deputy Boyd Barrett's point that conditions must be attached to grant aid given to small and medium companies. If workers want to join a union and those companies are denying them the right to do so, they should not automatically get the cash. They should also not get any money if they are paying big bonuses to people on the board of directors or if they are not tax resident, and so on. Conditions need to be put on them. Instead of receiving grant aid, big companies that shed jobs should be nationalised. Aer Lingus, which is seeking 500 redundancies, should be nationalised. The lack of scope for direct State-led investment is a huge weakness of this stimulus, and that is a missed opportunity. The Nevin Economic Research Institute, NERI, estimated in 2018 that €1 billion of State investment can create 10,000 jobs directly. In fact, it is less than €1 billion; it is €575 million when one gets one's tax back and take into account one's savings on social welfare. The aforementioned €575 million creates not just 10,000 jobs directly but also 6,750 jobs indirectly and therefore, for €575 million, it is possible to create 16,750 jobs. Spending this stimulus money spent on such an initiative would see 200,000 jobs, and more, in construction, in banking and finance, in green energy, in apprenticeships and among young people.

My final point is that this is a bigger recession than was experienced in 2007 or in 1974-75. The comparison is with the 1930s and the Great Depression. What does this mean for Ireland, a small open economy? It means mass unemployment, inequality and tax increases, as well as cuts down the road. I will conclude by stating that what will come onto the agenda in the years to come is not this or that change, it is system change. I refer to a break with capitalism and a democratic socialist alternative.

**Deputy Paul Murphy:** The way the Government and the political establishment have been marketing the July stimulus, one would think that it was going to transform the economy, that it will be a landmark for the Government and will show that it is up to the tasks ahead of it. The reality, however, is that the stimulus package is socially unjust and regressive and is economically irrational from the point of view of the majority of people in this society. Moreover, the propaganda campaign that the Government has used to sell the stimulus is fundamentally dishonest. The Government feeds us austerity and calls it stimulus.

The Government claims that this is the greatest ever State investment in the economy, at €7.4 billion. While Fianna Fáil and the Green Party may have forgotten their last period in government, the rest of us have not and people remember that they spent €64 billion on a stimulus based on bailing out the banks. What we see in this package is a litany of handouts for business, the stay and spend incentive, which will do nothing to stimulate demand among the hundreds of thousands of unemployed people who cannot access it, the wage support scheme that looks like it has been designed to be abused by businesses seeking to exploit cheap labour and a raft of tax breaks. What do workers get? Massive cuts to the pandemic unemployment payment with more cuts to come in the future. It cannot be called a stimulus when all the investment will benefit a small minority and it contains measures that will make hundreds of thousands of people worse off and take hundreds of millions of euro out of the economy while doing so.

Let us take the example of the help-to-buy scheme. It has expanded further and that is simply more money going into the pockets of developers. Even at this time of economic crisis and the deep depression that is opening up, the Government's stimulus includes more money for

private developers. It is a measure that stimulates demand in the housing market, in a context when demand already massively outweighs the available supply. The Government's answer is to stimulate that demand further, which is a recipe for the continued driving up of house prices and putting homes further out of the reach of more and more working-class people. The only way to solve the housing crisis is by doing what the Government does not want to do, and that is mass building of public housing. If there is a supply shortage, increase the supply and do not push up the price.

I draw attention to something contained in the July stimulus that has attracted little attention so far, namely, its labour activation measures. Let us look at a press release from the Department of Employment Affairs and Social Protection, over which the Minister, Deputy Humphreys, presides, which has announced an additional 10,000 places are to be provided on the youth employment support scheme, YESS. That is a lot of people, especially when we remember that the total number of people who went through the JobBridge scheme, which was a major controversy at the time, was 38,000 people over five years.

This YES scheme is to be expanded from a small scheme for 18 to 24 year olds to people of all ages. It is a return to the widely-hated JobBridge scheme, or ScamBridge as we termed it at time, except that it has been made even worse. There are three-to-six-month internships, at 24 hours a week and with weekly pay of €229. That is €26 extra for 24 hours of work a week. That is less than the €50 top-up, which was rightly seen as an insult when it came to the JobBridge scheme. It amounts to less than €1.08 an hour and it is designed to drive down wages. It is no accident that it comes in the same week as the decision to not increase the minimum wage and to slash further the PUP. It is all designed to depress wages across the economy.

That is what we get, instead of the State directly investing in creating the jobs we need in health and education. People will not accept JobBridge 2.0. They will see it as the scam that it is. Internships currently available on the scheme include working as a warehouse operative, an administrative assistant in a credit union and a pharmacy sales assistant. Like JobBridge, those sound much more like jobs rather than genuine internships. The justification that this scheme is for young people with no work experience, always a flawed justification, is now gone given that the scheme has expanded.

A socialist stimulus would involve real public investment in green infrastructure and in green energy and public transport in particular. It would invest in green jobs and bring welfare payments back up to a basic minimum of €350 a week. Our stimulus package would be a socialist green new deal and not hand-outs for big business and austerity for the rest.

**An Leas-Cheann Comhairle:** We move on now to the Regional Group. I call Deputy Naughten.

**Deputy Denis Naughten:** I thank the Leas-Cheann Comhairle and congratulate her formally on her election. It is great to see a woman from the west of Ireland in the seat that she now holds.

I thank the Minister for taking this debate. I welcome the stimulus package as in principle, it should be welcomed. While I have concerns that it may not be as focused as it needs to be, the intention has merit and I welcome that the package has been brought forward. I will flag some concerns with the Minister and I hope he will address them during the Committee and Report Stages of this legislation, or between now and budget day.

One of my concerns is the temporary wage subsidy scheme. I had advocated that this should have been more extensively used than the pandemic unemployment payment. I welcome that it is now being extended and put on a statutory basis. I have concerns, however, regarding the Bord na Móna seasonal staff in my part of the country who have been directly impacted by the Covid-19 crisis. Initially, there was a fall-off in demand for electricity and subsequently they have been affected as a result of planning decisions. Many of those seasonal staff were not called back by Bord na Móna prior to 1 March and as a result they are ineligible for this subsidy. They are not in receipt of the PUP and in many cases, are drawing off their means-tested payment under unemployment assistance at this stage. If we are talking about a just transition, therefore, we must ensure that we have a just transition for the seasonal staff in Bord na Móna who have lost out on the temporary wage subsidy scheme and the pandemic unemployment payment. I hope the Minister will engage with Bord na Móna on this specific issue.

When the Minister is engaging with Bord na Móna, I would be grateful if he could raise another issue. Last October specific funding was set aside for Bord na Móna. We had legislation before us last week with the same purpose and the objective was to try and guarantee employment for Bord na Móna employees in a just transition through rehabilitating bogs across the midlands. Staff have informed me that as a result of the agreement reached in the context of the Workplace Relations Commission, WRC, there is no commitment to employing Bord na Móna seasonal staff to carry out this rehabilitative work. They definitely will not be employed during the three winter months of the year but there is also no guarantee that those workers will get employment during the other nine months of the year. It is imperative that Bord na Móna staff members have the opportunity to gain employment as a result of the investment being channelled through the company and into the midland counties. I welcome the €10 million provided in the business continuity fund for the coach operator industry. However, I believe it is insufficient. As the Minister knows, coach operators have lost out on tourism this year. Many operators are involved in private school transport and have also lost that income. The private hire market has completely collapsed. There are over 1,700 operators in the country, employing 11,500 people. The business continuity fund is equivalent to €870 for each of those employees. That is insufficient to deal with the specific problem the industry faces. If we are talking about more sustainable transport, these particular operators are the key because they make approximately 75 million passenger journeys per year. I ask the Minister to look again at that issue.

I want the Minister to address another issue that is not dealt with in this legislation, which is disappointing. The Government is now actively encouraging people and families not to go on holidays abroad regardless of whether the destination country is on the green list. The difficulty is that, in many cases, families have already paid for their holidays and there is no mechanism in place for them to receive a refund. The Government is not intervening but is instead giving the insurance industry a free pass on this matter. Ordinary working families who do not take the holidays they have booked are losing approximately €1 million a day in lost holiday fees. The vast majority of people to whom I have spoken want to stay at home but will end up losing the money they have already paid for their family holiday. It would surely make far more sense for the Government to provide those people with a voucher to remain at home and holiday in Ireland in lieu of travelling abroad with the associated risk of bringing back Covid-19. The vast majority of families to whom I have spoken would like to remain at home but cannot afford to do so.

I will turn to the tourism sector and the new support package being introduced. I welcome that investment is being made in the tourism sector and the scheme involves some innova-

tion. That said, a tax credit scheme is not the way to go because we need to be encouraging retired people in particular to travel in the off-peak season. Retired people have time on their hands whereas, sadly, many of us with young families will not get the opportunity to travel. Of course, retired people are not paying tax in many cases and will not be able to avail of this particular incentive. Some operators might increase the cost of services or accommodation to leverage this money while some of the people who might wish to avail of the scheme will not be able to get the benefit of tax relief. A mechanism must be put in place to facilitate older people.

There also needs to be a mechanism put in place that does not discriminate against my part of the country. Fáilte Ireland has made a substantial investment in marketing Ireland's Hidden Heartlands about which the Minister and I have spoken at length. The Minister knows my neck of the woods very well and deep in his heart he is, in principle, in favour of promoting the area. This scheme discriminates against my region. There is a nasty little clause that Merrion Street has included in the legislation to the effect that a property must be registered with Fáilte Ireland to qualify for the scheme. That is great for someone who is from Kerry or represents that county. There are 155 premises registered with Fáilte Ireland that provide bed and breakfast accommodation in County Kerry. There are 15 in County Westmeath, ten in County Roscommon, nine in County Offaly, three in County Longford and five in County Laois. Where will people go? They will not visit the Hidden Heartlands, a part of the country that has had its guts pulled out as a result of the just transition.

Fáilte Ireland has spent a substantial amount of money marketing our region. We can easily provide social distancing because we do not have the large populations that other areas have. The amenities and recreational facilities are in place and thanks to the announcement made today by two Ministers, Deputies Eamon Ryan and Catherine Martin, further investment will be made in greenways in our region. That is very welcome but we do not have Fáilte Ireland accredited accommodation. There is accommodation available but it is not accredited by Fáilte Ireland. Surely if a business is registered for VAT, has a tax clearance certificate and is providing holiday accommodation and food, it should be eligible for the scheme. Why do businesses have to be registered and pay a fee to Fáilte Ireland in order to avail of the scheme? My understanding is that the push is coming from Merrion Street and not Fáilte Ireland on this matter.

The situation now is that I can bring my family on holidays, we can buy a burger and chips and claim tax relief on that expenditure but if I go with Airbnb or self-catering accommodation that is not registered with Fáilte Ireland, I cannot claim that relief. Surely the sector of the economy that we need to be supporting is the one that is dependent on tourism, particularly in our region which has a fledgling tourism sector that is starting to take off. There was a big announcement on the Hidden Heartlands two years ago and many businesses have invested in upgrading their accommodation and converting farmhouses to accommodate families. Investment has also been made in infrastructure but if the businesses in question do not come with the Fáilte Ireland stamp, their customers cannot avail of this tax relief.

I plead with the Minister to take action if he is serious about promoting balanced regional development, ensuring we have tourism in the Hidden Heartlands in the middle of Ireland and encouraging and incentivising businesses to establish in the tourism sector in the region. That will be the future for Bord na Móna employees, particularly seasonal ones. A detailed application to the just transition fund has been submitted by some of these employees in counties Longford and Roscommon. I hope it will be accepted by the Government but what would be the point in doing that if we do not facilitate people to come and stay in our region because we do not have a rubber stamp of approval from Fáilte Ireland? I plead with the Minister to con-

sider this matter before we deal with Report Stage.

**An Leas-Cheann Comhairle:** I thank Deputy Naughten. I will move now to the Rural Independent Group.

**Deputy Mattie McGrath:** I am delighted to have an opportunity to speak on the Financial Provisions (Covid-19) (No. 2) Bill 2020. I welcome many of the measures in the July stimulus package but, unfortunately, it simply does not go far enough in many areas. It has all the hallmarks of a departmental document without the understanding of what makes people tick in rural and urban areas all over Ireland. The purpose of stay and spend incentives is to incentivise taxpayers to support registered providers of accommodation and food during the off-peak season, thus providing support for an industry that has been devastated by Covid-19. It is certainly well-intentioned but I have concerns about it.

From the point of view of the industry, any increase in consumer demand is welcome but the scheme is likely to bring about a significant increase in administration. Self-employed people are weary of, and over-burdened by, administration. They have probably had a break from administration during the pandemic but they have not had a break from anything else. I anticipate a problem with splitting receipts so that everyone can claim relief on their own portion of the total bill.

There is already reduced capacity and increased requirements for cleaning and hygiene at this time. Many in the industry have sounded warnings and this is a nonsensical kind of a set-up.

There is disappointment that the Government decided not to further reduce the VAT rate. The reduction is minuscule. Reducing VAT is a simple way to allow people to spend their money and not reducing it further is a missed opportunity.

This is the first time I have addressed the Minister, Deputy Donohoe, since his reappointment and I wish him well in the role. I previously offered congratulations to the new Minister for Public Expenditure and Reform, Deputy Michael McGrath, but I wish Deputy Donohoe well in his continuing ministerial role. I will be forthright and make objections when I see things that require me to do that. The Government does not get what makes people tick. There is bureaucracy.

From a consumer point of view, while the spend-and-stay initiative is well intentioned in its aim to promote business in the off-peak season, the exclusion of pensioners is very disappointing. In recent years, members of many active retirement associations have taken trips to Killarney and to hotels in many areas. They are wonderful organisations for people who are retired. Those people should have been looked after. People come to Dublin for day trips, go for weekend trips to Killarney and attend country music events. They love such trips.

Those aged over 66 years have been victimised throughout the pandemic. Many are working, yet cannot claim any payments because they are only eligible for pensions. All they wanted was a top-up so the pension payment would be the same as the PUP. That would have recognised the fact that they built this country, reared their families and paid their taxes and PRSI. Some pensioners have worked for 40 years or longer, and should have got something.

I discussed the music entertainment industry yesterday. There has been an abject failure in this regard. Social welfare provisions did not deal with that. This industry is part of our heri-

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tage, dúchas and culture. Musicians are adored and admired and, above all, they are self-made people. They had jobs and decided to go it alone. They had the profession, trade and skill set, which are very important, and then had to become self-employed and get vans and very costly equipment. Some of the bigger bands had an entourage, including sound engineers.

The industry has been wiped out. Those working in it have been told by the Department of Employment Affairs and Social Protection to get work elsewhere. Are we going to wipe away that part of our culture and an industry that is loved by ordinary people of all ages from the cradle to the grave? Those in the industry have been left in an awful situation. They are being discriminated against when it comes to the pandemic unemployment payment. The Minister will have to do something because we will lose part of our culture like snow off a ditch. Cad a dhéanfaimid feasta gan adhmaid? Cad a dhéanfaimid feasta gan amhráin a chanadh agus an fhidil a sheinm? Is mór an trua é.

It is an awful pity. The Minister does not seem to understand the situation. The permanent government does not understand what makes people tick and how they want to live. Those in the entertainment sector have been placed on a reduced payment of €203 per week. This is the Minister's area, given that he holds the purse strings.

What is happening with the pubs is a joke. People who buy a €9 sandwich or meal can go to a pub. Sandwiches are supposed to prevent a Covid infection. It is a total farce. The pubs have been blackguarded. I know dozens of people aged 66 years and older who could not get payments and were shut down by the Government. Worse than that, they were told their businesses could reopen last Monday week but were not allowed to do so. The time limit for the decision was too short. People did not get enough lead-in notice and had to pay for stock and everything else. They have been dealt a body blow. It is ridiculous.

In terms of employment wage subsidies, I welcome that people can claim this year's tax against last year's tax. I support PAYE workers. They had the choice to opt for payment based on their income in 2019 or 2020, but the self-employed did not. Their payments were based on figures for 2018 or 2019. The system should be fair and balanced for everybody. The stimulus package was a missed opportunity. Our businesses are floundering.

The tourism and hospitality industries are floundering. Today, I raised the issue of Clarecastle and the fabulous Swiss Cottage in Cahir. OPW sites are locked up. Surely we can let people into the environs and courtyards of a splendid castle. There are hundreds of people in Cahir every Sunday. It is a beautiful town. The hotels and shops want footfall. The gates are dúnta and there are padlocks on them. Staff must be protected and safe, but the courtyards and open areas and environs of the buildings must be opened. It is not fair that other sites in Tipperary, such as the Rock of Cashel, are open while those in Cahir are not. It is discrimination and it is not fair.

**Deputy Richard O'Donoghue:** I congratulate the Minister on his new position and welcome the stimulus package, even though it does not cover everything that I need. It is to be hoped amendments can be introduced so that it can work for all of the people in Ireland.

Publicans were told that they could open two weeks ago. They stocked their bars and sanitised their pubs in preparation for opening. The Government then made a decision not to allow them to open. Publicans who have closed their businesses are in receipt of the Covid payment. In rural areas, it is often the case that only family members work in pubs. Publicans across the

country have contacted me this week to tell me that one person working in a pub is getting the Covid payment but that person's partner had the payment reduced to €203. People are being penalised despite the fact that publicans have spent money on getting their pubs ready, sanitising everything and putting massive work into premises. We have to get this right.

Opening rural pubs is very simple. External catering can be brought into public houses. One can get soup and a sandwich from any bar during the tourism season. Pubs do not need kitchens for that type of system. External caterers provide food from vat units and fridges. They only heat up sandwiches. Our rural pubs could open if a small bit of common sense was introduced.

All I am asking is for our rural pubs to open up because people are travelling ten or 15 miles to towns and villages. People who are being dropped off for a drink need to get somebody to collect them, which adds to their journey. They are not supporting their local areas. Some pubs are open because they serve food and others are afraid they will find it very difficult to get their customer base back. If this happens, rural pubs will close anyway.

Bus companies have told me they invested in new tour buses at cost of hundreds of thousands of euro at the start of the year. New buses are now parked in yards, but they have to be paid for. They have 201 licence plates, but will not be used until at least 2021. These buses have very few kilometres on the clock because they have been parked in yards, and must be re-registered. Buses are paid for based on a five-year turnaround so that we have good quality buses for tours. We have to do something for bus companies or reimburse them for the losses they will incur for the buses they have bought.

Dromcollogher respite care centre was the first centre for the elderly built in Ireland. It is a 20-bed unit that provides breaks for families for one or two weeks a year. It has been closed since March. It has had 7,000 admissions since 2002. It serves Limerick, north Cork and north Kerry. It operates under the regulations governing nursing homes. It is not a nursing home; it is a respite centre. Legislation is preventing it from reopening. Fewer people want to go to the centre, but it is not allowed to open because its regulation falls under the nursing homes legislation. We have to work to change that.

We need to build more and extend rest homes. Unless we can do so, they will never be able to reopen under the current legislation. There needs to be investment in these homes which help people to stay at home and have one or two weeks of respite. This helps, as people do not go into nursing homes because they get the respite care they need during the year and can be catered for at home. We need to invest in our older people and help them. The community around the likes of Dromcollogher district respite care centre need it to reopen. It will not be able to reopen, however, unless it gets proper investment and unless this legislation is changed. I ask for the Minister's to help do anything he can to change this Bill and get investment into these rest homes in order that people in the areas of Limerick, north Cork and north Kerry will get the help and investment they need to care for their elderly in the future.

**Deputy Michael Collins:** I am delighted to get an opportunity today to speak on the stimulus package and the issues that still concern people. In fairness, there is no point in being altogether critical of the package. It contains measures that in time will begin a roadmap for people to try to get back to some normality and employment, which is of huge importance.

I want to home in on the expenditure regarding hospitals and the whole issue of the Co-

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vid-19 situation. Clonakilty Community Hospital was struck heavily, unfortunately, with Covid-19. At the end of the day, there is absolutely nothing staff or management can do in that hospital if the issue is that the hospital is not up to a standard it needs to be at. It has been quite some time since HIQA produced a strongly-worded report on that hospital and I recall that in 2016, the then Minister for Health, Deputy Harris, signed a statutory instrument to the effect that all hospitals had to be brought up to 80% single-bed occupancy. Unfortunately, the statutory instrument pushed out the standards for those hospitals to 2021.

My problem is that Clonakilty Community Hospital expects funding. Will it get the funding? The HSE is more or less stating that some of these hospitals may not now come up to standard. Reports last week indicated that the HSE and HIQA are going to court about Clonakilty Community Hospital. The bottom line, however, is that does not deliver the funding that is needed regarding the hospital being brought up the standard to which every community hospital needs to be brought. I would appreciate it were the Minister to look into that.

I brought up these issues last week with the Minister for Health, Deputy Stephen Donnelly, regarding Bantry General Hospital and was promised a written response. That was a week ago and I have not received a written response. When I look at the programme for Government, there is nothing written on Bantry General Hospital. It serves a population of more than 80,000 people in Cork South-West. If one does not get into Bantry, in some cases in the peninsulas, one effectively is three hours away from the nearest hospital. The funding is needed and obviously it has been a great protection to the people of Cork South-West with regard to the Covid-19 crisis we have today. A new full-time anaesthetist was promised and has not been delivered. It is a serious concern to the people of Cork South-West. There also was a promise of an endoscopy unit when the then Minister for Health, Deputy Harris, visited the hospital in 2018. That has not been delivered to date and this needs to be looked into.

On the issue of schools, I must give credit where credit is due to the Minister, Deputy Foley, who, in the short term she has been inside the House, has delivered on a number of schools in south-west Cork that urgently needed works to be carried out. As I said, credit where credit is due.

I am aware that schools like the one in Ballydehob need urgent funding because I was there last week and it was scandalous to see buckets around the rooms trying to catch the dropping water. It is an issue that needs to be taken up. However, we also need to look at the private schools, such as Bandon Grammar School, which I have been in contact with, and a lot of schools in west Cork, as well as the public schools. With regard to the private schools, a document published in the pathway recently made clear that fee-charging schools such as in Bandon and other places will not receive any assistance under the minor works grants for necessary changes to classrooms, toilets etc. to enable social distancing and enhanced hygiene. They will not receive any staffing alleviation for either spreading out classes or for guidance counselling for the many children who are experiencing mental health challenges due to the current situation. I appreciate that is not under the aegis of the Minister's Department but funding needs to be made available. The private schools are going back into the pockets of the parents. They cannot keep hitting the parents any further than they already have done to deliver these essential works in the school. I would appreciate it if the Minister would talk to the Department of Education and Skills. I have questions tomorrow for that Department and I will raise this issue because it is of serious concern to the school there. I would appreciate that. Other schools, such as the one in Castletownbere, have contacted me because everybody is trying to carry out urgent works to deliver a safe place for the children to return to school.

I happen to fully agree with Deputy Mattie McGrath and his sentiment regarding the publicans. Many of them face ruin. I have a conflict of interest in that my two brothers are publicans and my daughter works in a pub but, perhaps, I know first-hand the crisis that their door is shut. They have no aid, as such, and continue to have no aid and really do not have an ear. It looked to me as if, in continuation to the position prior to Covid-19, there was an attack on the publicans. They employ 50,000 people. The attacks seem to have continued. These are rural pubs and what the Government has done now, unfortunately, is to push in parties all over the place. I know it from my own constituency and it is sad to see large, uncontrolled parties happening up there now. We have a new crisis after keeping the door of the publicans shut. They need to be put on a fair and level playing pitch.

I also want to speak about the over-66s. They have been treated terribly. I ask the same question I asked last night: what did people over 66 do to Fine Gael and Fianna Fáil? They have completely ignored them. The only little bit of comfort they might have got in the stimulus package was if they could have got the €125 holiday relief. They will not get it. As far as I can see, they cannot get it because they are not paying tax but are getting a pension. These people have paid tax all their life but they are now being squeezed out. The poor man and woman who was working and who was over 66 years of age got nothing, as such, in terms of compensation through Covid-19. We even suggested making up the difference between the pension and the Covid-19 payment and they were refused that. Now, such people will not be able to get the little bit of holiday relief - which others are going to find difficult to get but we will not go down that road as they are, at least, entitled to it - and that is terribly unfair. The Minister must answer the question as to what these people have done to deserve this type of treatment. They need to be respected. They are the people who made us who we are today.

Other issues in my own constituency include serious concerns on infrastructure for the greater good and a massive broadband crisis that needs to be looked into. However, we also have road issues and I want to talk about the unfinished southern relief road in Bandon. Despite promise after promise for the past ten or 15 years, nothing has happened. The northern relief road is now going to be half of a northern relief road, if it ever goes ahead, which is another shambles, as it will lead to further gridlock and further closures of businesses because it will come right down almost into the middle of Bandon town.

There are a lot of issues. The Minister might say I am pressing on the critical issues but they are the issues that concern the people of my constituency and the people of the country in its own right.

**Deputy Michael McNamara:** I will begin by welcoming what the Minister intends to achieve with this Bill, which is to continue to provide support for people as the economy re-opens and to provide an injection of economic stimulus. I also will begin by saying that the Bill is a missed opportunity and demonstrates a lack of connectedness with the real economy, at least, the economy I come from and the area that I represent.

New Deputies are frequently told to watch out for the Leinster House bubble because sometimes what goes on there is little connected with the real world. We are not in Leinster House now and we are not in a Leinster House bubble. To me, however, this Dáil looks increasingly like a bunch of rare orchids in the National Botanic Gardens protected from the realities of where they live.

In a couple of months' time, we are going to ask pupils and teachers to go back into schools,

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and rightly so. Our children deserve an education. We are going to ask our medics, doctors and nurses, to go back into overcrowded hospitals and provide a health service, not just a Covid-19 health service, but a general health service, and rightly so. We deserve as a nation, like every other nation in Europe, a functioning health system. Somehow, however, we are different.

*4 o'clock*

We are wearing masks, I believe, as a statement. The Minister for Finance should look around this auditorium now. This is costing hundreds of thousands of euro. Is this value for money or is it an example to ordinary working people whom we are telling to get on with their lives because we have to live with this virus? We have no choice; we must move forward and get on with our lives.

I want to focus on the temporary wage subsidy scheme. The Minister and I discussed this in Leinster House when he was a Minister in the previous Government. We agreed that it was not perfect and needed to be tweaked, but that those tweaks would be carried out. In particular, seasonal workers in seasonal businesses could not avail of the temporary wage subsidy scheme because those employees were not in employment at the end of February. I welcome that the scheme is being tweaked to allow for people returning from maternity leave and other forms of leave to go back to work. Irrespective of whether the Government had tweaked it, that would have happened because they would have won a discrimination case against the Government.

However, there is still nothing for seasonal workers going back to work.

**Deputy Paschal Donohoe:** The Deputy should read the Bill.

**Deputy Michael McNamara:** I read the Bill. Now they can go back to work if the employer sustains a 70% loss between 1 July and 31 December 2020. Those seasonal businesses could have lost, as they did lose, the entirety of the first half of the year's business. If they do not lose more than 30% of the second half of the year, they are not entitled to access the employment wage subsidy scheme. That means that unless those seasonal businesses lose more than 65% of their business over the entire 12 months, they are not entitled to the employment wage subsidy scheme, as the temporary wage subsidy scheme has become. I have read the Bill and I invite the Minister to tell me I am wrong in that. I invite him to tell me that a business does not have to lose more than 30% of its normal income crucially from 1 July so that any losses it has incurred up to 1 July will not qualify it. I invite the Minister to tell me I am wrong.

Many of those seasonal enterprises are bars and restaurants. I invite the Minister to compare how those small family-run firms are being treated with how the meat plants are being treated. I see Deputy O'Donoghue here. Representatives from the meat plants informed the Special Committee on Covid-19 Response that they had availed of the temporary wage subsidy scheme. Good for them. Of course, they availed of it. They avail of everything because they screw everybody. I know the Leas-Cheann Comhairle is new to the job. I had to check this yesterday in a different context. Apparently "screw" is not unparliamentary language. They screwed their workers. They did not allow them sick pay. People were showing up even though they had symptoms because they were afraid not to show up for work.

They screwed the farmers in what they paid them because they dropped the price beef well below the cost of production. Up to recently they were killing up to 95% of the numbers they killed last year according to Department of Agriculture, Food and Marine figures. Despite all of that, they were availing of the temporary wage subsidy scheme, but small seasonal businesses

up and down the west coast could not avail of the scheme. In this Bill the Minister proposes to lock them out for the remainder of the year by failing to take into account the losses they incurred in the first half of 2020. They incurred those losses because the Government shut them, and rightly so. I do not take issue with that. The Government told them they had to close their doors in the national interest, and most of them did it without question. However, now when it is time to look at the bigger picture, they are being forgotten yet again.

There was considerable criticism of the Government of which the Minister for Finance was a member up to a few weeks ago over its complete inability to understand the economy outside Dublin or the importance of seasonal work in the tourism sector, in particular throughout the west of Ireland, and to understand farmers. I invite the Minister to look beyond the M50 and allow seasonal businesses to access to the employment wage subsidy scheme, as it is called. If they are required to demonstrate a loss of more than 30% in the second half of this year, effectively they are required to demonstrate a loss of more than 65% over the entire year.

I have read the Bill and I do not need to be patronised about reading Bills. I read it as I read all Bills, as I read the statutory instrument that made general guidance in respect of the population a law in respect of those who are in receipt of social welfare payments, be they the pandemic unemployment payment or jobseeker's allowance.

Of course, we are frequently talking about the same group of people. We are talking about people who were put out of work in the national interest. Many of them were put out of work by the actions of the Government, actions that were necessary. Now it is time to do what is necessary to get those people back up and running. A man who was in my class in school brought his horses to the gate of Leinster House. He is an incredibly hard-working man who built up a business that is reliant on foreign tourism which has been shut down by the Government. I believe the Minister is the chairman of the Eurogroup. Ireland is unique in Europe in how we have shut down travel. That man no longer has a business. He rang me yesterday to ask what was in the stimulus package for him because he could not see anything. I listened to him and said, "No, Seán. There's nothing in it for you. Sorry." He will be able to demonstrate 30% losses for the rest of the year, but many businesses will not. Those businesses that will not have 30% losses for the rest of the year would have losses in excess of 50% over the year. I ask the Minister to include them in a spirit of fairness and solidarity to get this country up and running again, not just the part of the country the Minister and the Cabinet represent, but the rest of the country that deserves the same chances.

**An Leas-Cheann Comhairle:** The Deputy might in due course refer to me the dictionary that shows me that the word "screw" is not unparliamentary language. I have a particular interest in dictionaries.

**Deputy Marian Harkin:** The measures the Minister announced in the July stimulus are positive. I think I heard him describe the package as the next stage in the Government's response to Covid-19 and in that context those measures are welcome. There are some omissions and missed opportunities, but there are many positives. The plan in its entirety has been described as lacking in scale and ambition by SME Recovery Ireland and there is more than a grain of truth in that statement. This seems like a holding measure, steadying the ship in turbulent waters, putting down an anchor, but not really moving forward. While stability matters, there is an understandable sense of frustration over some missed opportunities.

Let us consider some of the detail. The extension of the wage subsidy scheme and pandemic

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unemployment payment is very important and good news for many people. The extension of the wage subsidy scheme to the end of March 2021 and its extension to new and seasonal staff are positive, notwithstanding the excellent point my colleague, Deputy McNamara, made, which the Minister should take into consideration. The €200 million in grant aid for retraining for those who have become unemployed is also a positive move. There have, however, also been missed opportunities. There is a real concern that those earning less than €151.50 will not get Government support. Will the Minister explain his rationale for excluding these low earners?

I expressed my views on the pandemic unemployment payment, PUP, to the Minister, Deputy Humphreys, last night. We subsequently voted through a section which means that those receiving the payment should be actively looking for work. Does that mean that a person working in a bar that remains closed must actively seek work?

**Deputy Michael McNamara:** Hear, hear.

**Deputy Marian Harkin:** Must musicians and the thousands employed in the arts and creative industries actively seek work, even though these sectors are in lockdown? Do those who own coaches, minibuses or any other vehicles used to transport mainly foreign tourists around the country need to actively look for work? Apart from anything else, this would have significant displacement effects on some sectors that are struggling to find a way to survive with Covid. These are sectors in which people are using their imagination, ingenuity and creativity to get back into the labour market in their own sectors. Are we telling these people that their sectors are closed and that we do not know when they will open but that training and courses are available to help them upskill in totally different sectors? That is inherently unfair, unjust and discriminatory.

Apart from anything else, it will not work. As I said, it will damage, devalue and demoralise certain sectors. I could understand looking at such options in six to nine months' time when we have a better sense of how the economy will stabilise but to do so now is a real blow to many. I specifically mentioned those who work in or own pubs and those in the music industry and coach tourism sector but other sectors are also affected. This should not be pursued for now.

I am pleased to see increases in the amounts available under the restart grants for businesses and an increase in their scope so they are no longer tied to paying rates. I have many times asked the Minister for Finance and other Ministers to increase the grant aid available to businesses that are trying to restart. The Minister's stimulus package will come as a relief to many businesses. Many just need a little bit of hope that, if they try again and restart, they will be given some real and substantial help. The economics must be right but we all know that, for entrepreneurs and small businesses, hope and belief are just as important.

The Minister's decision to allow people to warehouse tax debt without being charged interest on those debts for 12 months after the initial period of Covid-19 restrictions is also a glimmer of hope. People know that Revenue is not waiting to pounce and that gives them a little bit of hope.

I probably do not know enough about the area but it seems to me that more targeted interventions might have been better than the reduction in the VAT rate from 23% to 21%. If VAT was to be reduced, the one area that should have been looked at was the tourism and hospitality sector.

**Deputy Michael McNamara:** Hear, hear.

**Deputy Marian Harkin:** The VAT rate for this sector should have been reduced from 13.5% to 9% or lower. My colleagues spoke about the regions. This cut will have a huge impact on tourism businesses but it will have a much bigger impact in the Border regions, counties such as Sligo, Leitrim, Donegal and Cavan. In many areas of these counties, the Border is only a few hundred yards away, beyond which the VAT rate has been reduced to 5%. That will make a real difference to many Border towns and to many resorts dotted along the Border. It will have a great impact on a tourism economy that is struggling and which relies on Irish people and people travelling across the Border. It is, therefore, a double whammy. Irish people living along the Border will get better value on the other side because of the lower VAT rate and may therefore be inclined to travel. That is fine but equally those who traditionally come across the Border to Donegal, Leitrim and Sligo in very significant numbers may look again because they know they can get better value at home. Many tourism providers in those Border resorts are desperately hoping for a decent August and are very disappointed that the VAT rate remains as is.

I have two final points. The stay and spend initiative is great but there is something I do not understand. Nobody seems to have seen that it is discriminatory as some people can never avail of it. An initiative like this should be universally available. It would be greatly appreciated. I think of my own mother, who will go mad when she hears I referenced her. She receives an old age pension and is on a fixed income. If she knew she had vouchers worth €125 she would love to spend them. It is the only way many of those on a fixed income could afford to go out for a meal, to go out for a day or to spend a night away somewhere. A 20% discount would give them that incentive. The Minister must find a way to extend this to everybody. They will appreciate it, they will spend it and they will think it is a good Government initiative.

My final point relates to something which is not dealt with in the July stimulus package. I ask the Minister and the Government to urgently find some way to support Aer Lingus. As far as I know, Aer Lingus is one of only a few airlines, if not the only airline, in western Europe not to have received government aid. I am deeply concerned that IAG could shut Aer Lingus down and liquidate the company. This would result in the loss of jobs, connectivity, the iconic Aer Lingus brand and competition within the aviation sector. It would desolate the workforce. It is simply unthinkable. I ask that the Minister and Government look at putting in place some form of state aid package to maintain Aer Lingus as a viable company.

**Deputy James O'Connor:** This Bill is a key part of the July stimulus package. The State is investing in key projects and supporting workers and businesses on an historic scale. The size of the response underlines our commitment to protecting jobs and communities. The State will spend €87 billion in 2020 to provide more services to citizens than ever before. The stimulus package contains more than 50 measures and is worth over €5.2 billion, or €7.4 billion if the credit guarantee scheme which passed through the House last week is included. As part of the package, a further €500 million will be injected to bring capital spending in 2020 up to €9.4 billion, which is another historic record.

The fundamental objectives of the measures contained in this Bill are to boost economic activity, to back businesses and to get as many people as possible back to work. The introduction of the employment wage subsidy scheme is a welcome move. It will ensure that we can continue to have as many people as possible returning to work. It reinforces the key relationship between employers and employees. I have walked the main streets of towns in east Cork

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and have spoken to many business people. No business owner wants to shut down his or her business permanently. No employee wants to remain out of work. Both want to be able to do an honest day's work and to get on with their lives. The past few months have been extremely difficult for people and businesses up and down the country. I am happy that the TWSS, and the employment wage subsidy scheme will run in parallel from 31 July until the TWSS concludes at the end of August. This provides extra flexibility to employers with new hires and seasonal workers to ensure that as many people as possible will get back to work.

Businesses also need breathing space. They need the time to get back on their feet, reopen their doors and get back to business. I held a clinic in the past few weeks in Cobh, where I met several business owners who expressed not only the need to reopen but to have breathing space once reopened. Businesses are playing catch-up on all fronts and they require the full support of the Government to help navigate their way through this crisis. To borrow a great phrase from Bill Clinton. It is about giving people a hand-up not a handout.

I welcome several tax measures in this Bill that give businesses this breathing space such as enhanced corporate tax loss relief and income tax relief for the self-employed, which will provide additional liquidity supports for business. This is alongside the introduction of the legislative basis for the warehousing of tax liabilities. This will allow for businesses affected by Covid-19 to delay payment of their PAYE and VAT debts for a set period with no additional interest or penalties. There is no point in getting people back up on their feet with the expectation that they will recover by 100% straightaway. It takes time to recover and this is a sensible and necessary move.

I welcome the several measures intended to boost demand in the domestic economy. I will borrow the famous phrase, "Your spending is my income". It is about ensuring people are spending in their local communities, protecting businesses and ensuring we have balanced regional development across the country. The stay and spend incentive for the accommodation and food sector is hugely important. These sectors are immensely important across the constituency of Cork East. Cork East is home to many famous tourist destinations from Midleton Distillery to Fota Island zoo to the historic towns of Cobh and Youghal. Sometimes we forget what a beautiful country we live in and this is a great opportunity to explore it and to spend locally and help the local economy.

The decrease in the standard rate of VAT from 23% to 21% from September until the end of February 2021 will add to the boost to the domestic economy. We want to ensure the recovery is broad-based and measures such as the reduction in VAT allow the Government to provide relief to the widest sections of society. It is also important that no one is left behind in this recovery.

Finally, I welcome the enhancements to the help-to-buy scheme for the remainder of 2020. This will provide necessary support for first-time buyers by either increasing the support available by €10,000 or reducing the criteria of the 10% deposit to 5%. This will stimulate demand for first-time buyers for houses, encourage house completions and assist first-time buyers in accumulating a deposit for a new home. We cannot let this pandemic stop people from getting on with their lives. We cannot afford to have another lost decade in the economy. I believe that this Bill, alongside measures such as the July stimulus package, will ensure that does not happen.

**Deputy Jim O'Callaghan:** We all need to recognise that recessions are a feature of all economies. It is unfortunately the case that that is so. We need to recognise that recessions oc-

cur when there is a decline in economic activity and a significant reduction in spending. There were many recessions in the 20th century, I am sure there were many recessions before the 20th century, but I suppose our ancestors at that time did not have the means or mechanisms to evaluate and appraise economic activity.

This country and the world went through a significant recession between 2007 and 2009. Such was the severity and breadth of that recession that it is referred to in academic research as the Great Recession. It had significant consequences for the world and this country. It just did not have significant economic consequences for this country; it also had significant social consequences some of which were devastating for the people who live here.

Since the recession between 2007 and 2009, there was a general expectation that we were going to meet another recession. Everyone assumed and hoped that the next recession would not be as severe but there was a recognition that there would be one. I recall that in 2016 there was a belief that because of turbulence in the Chinese markets that there was a recession coming. Then, I recall in 2018 there was concern about trade tensions between China and the US and that another recession might be coming. Although we all knew that another recession was coming, I do not think anyone in this House, or indeed anyone in the world, thought that the recession was going to be caused by a global pandemic, but that is the case with what we have to face and we must recognise that this recession is highly unusual and highly exceptional when one looks at the cause. Because it is a recession that is being caused by such an exceptional event, we need to recognise that it is different in a number of material respects. First, when one look at how recessions generally occur, there is usually a gradual decline in economic activity leading to the recession or, alternatively, there is a sudden event and after that there is a gradual decline in economic activity. Neither of these happened in this recession. Instead, we had an immediate and unpredictable, dramatic decline in economic activity. It occurred as a result of the outbreak of the pandemic, first in the Far East and then it moved over into Europe.

The second difference in this recession relates to how the it was caused, and we should not be embarrassed to say this, as a result of a deliberate act of government, not just our own Government but of governments around the world. As I said previously, those deliberate acts in closing down our economy were merited and justified at the time. We saw what was happening in the intensive care units of Italy and Spain. We were legitimately concerned that people in Ireland would be subjected to the same circumstances in our own intensive care units and that we would be left in the appalling position where people seeking intensive care could not be provided with it because our units were overrun, so we closed our economy. That was a deliberate act by us and that distinguishes this recession from previous recessions.

The third way this recession is different from previous recessions is that, in general, when one tries to get out of a recession, the most important thing to do is to try to invigorate consumer confidence to get people out spending again. One tries to instil confidence into the population because, in general, what a recession does is create a sense of financial insecurity among the citizens of a country. People in this country feel a great sense of financial insecurity, but what distinguishes this recession from previous recessions is that there is more than fear of financial insecurity, people are fearful for their health. That is why we need to recognise that there are some parts of the recovery to this recession that are imponderable to us at this stage. For instance, when one looks at businesses such as restaurants or small cafes, to what extent is the recovery of those businesses going to be dependent upon individuals having the confidence to go back into restaurants and pubs? That is something we do not know the answer to as of yet, but we will have to carefully appraise it.

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Much of the academic research on the economic consequences of this pandemic is very uncertain at present. If one looks at any economic research, it will try to give three or four different examples, depending upon whether there is a severe outbreak of the disease in the future or whether it is manageable, as it is at present. In fairness to economists, and to everyone else, there is great uncertainty as to what the outcome will be. We know that the OECD has stated that the level of output in economies will decline by somewhere between one fifth and one quarter. If that happens, consumer spending is going to be down by one third. If that happens and it continues, I regret to say that we will find that this recession is going to be even more devastating than the recession of 2007 to 2009. However, it is not all bad news. Anyone who has looked at June's retail spending figures published by the CSO yesterday, which I am sure the Minister has done, will know they were up on June last year, so that is a positive outlook on the horizon. It reveals that people are prepared to spend money in certain sectors but we have to recognise that other sectors, which involve the close congregation of people, that are going to be very affected by it.

The response of the Government to the pandemic has been very positive. Opposition Members can be critical but when one considers the response in general it has been positive and large. First and foremost, we have had the PUP, which was very beneficial to people who lost their jobs immediately. I welcome the fact that we are not eradicating the payment and that there is a recognition that it has to stay. Second, the TWSS has provided huge support to businesses and we need to continue with that scheme. Third, many grants are available for businesses to restart. I welcome the fact that commercial rates are going to be waived and individuals are going to be given that recognition. We need to recognise that we need to provide further supports for businesses into the future.

The State's objective should be to cushion the blow to businesses from this extraordinary recession and economic event. In short, the State can provide to businesses a parachute to help their descent and to ensure they can land safely when this pandemic passes through and dies out, as it presumably will. If we did not do that and had followed the approach taken around the world to the 2007 to 2009 recession we would find ourselves in a very appalling situation. That recession was dealt with by the Government deciding that debts had to be dealt with immediately. Around the world it was decided that the state would not intervene to try to help people get over very turbulent waters. If we had tried that this time, all of the businesses in the centre of this city and around the country would have gone to the wall in March and April. They would not have survived. The State, therefore, can commend itself on the fact that measures were put in place to ensure those businesses survived. They will hopefully survive into the future. We need to ensure we provide safe passage for those businesses from now through to the other side of the pandemic, where we will, hopefully, have a much safer economy.

However, we should not allow this pandemic to control and dominate our lives. It is a disease, and every generation produces diseases. It is a dangerous disease for vulnerable and elderly people and seems to affect different people in different ways but we need to recognise that we cannot allow it to control our lives. The best economic development that has occurred in recent times is the announcement that our children will fully return to school at the end of August. That is an enormous enhancement to our economy as well as being absolutely essential for our children's development. We also need to recognise that there is a lot of sense in what Deputy McNamara said recently. We are sending out the wrong message by being stuck in this enormous mausoleum. We need to get out of here. We need to get back to Leinster House, where we can work together which we are readily able to do. We should not give the impres-

sion to the public at large who are looking in that politicians are in some way a special species deserving of special protection.

The State has made a significant investment in businesses and it is the correct thing to do. We have made this big investment in businesses because we recognise the societal benefit of businesses and the employment they provide and the fact that there is more to an economy than the generation of profits. At some stage after this, those businesses will be able to walk fully on their own but they need to recognise that they also have a societal responsibility, just as the State does. For too long many businesses have seen their exclusive role as being the generation of profits for shareholders. The people managing the businesses try to maximise profits for shareholders, which they do very effectively, and as a result, they receive large rewards. Businesses need to recognise that they have greater societal responsibilities than simply maximising profits for their shareholders and that they have a responsibility to the economy and to society in the same way as the State recognises its responsibilities. That role is not fulfilled by businesses simply assuming and presenting their corporate responsibility duties and giving out small amounts to charities and local projects. They need to recognise that they need to get away from their devotion to the accumulation of profits for shareholders. That is not a Marxist sentiment; that simply recognises the greater responsibility that businesses have above and beyond the generation of their own profits.

The legislation will be beneficial. It is a continuation of the proposals that were put in place initially. I welcome that section 2 will replace the TWSS with the EWSS. It is a very good scheme and we need to keep it going.

Sections 3 to 5, inclusive, deal with debt warehousing measures announced by the Revenue Commissioners back in March. I welcome them. Revenue need to adopt a more conciliatory approach to people in business, and indeed outside of it, who have found it very difficult to make tax payments due to the pandemic and economic collapse.

Section 6 amends the Taxes Consolidation Act 1997 and reduces the 3% interest rate Revenue can charge. Then there is the stay and spend tax credit, which will be beneficial. People have asked why we do not bring that in immediately so that people can go off on holidays in August and avail of it then. Most Members and most people in Ireland are going to spend their holidays in Ireland. We are going to have a good August and part of September holiday season here. It is a good idea to hold off on this scheme until October. I welcome also the €10,000 increase in the help-to-buy scheme tax rebate to €30,000.

Section 9 deals with the cycle-to-work scheme. One beneficial thing we have learned during the course of the lockdown is that lots of people should be cycling around this city. It is probably one of the best cities in Europe for cycling. It is flat, one can move quickly around it and there have been improvements in the cycling infrastructure. I hope those improvements will continue and we get a better cycling infrastructure but more people should be cycling. I am pleased that bicycle shops are sold out. We need to start encouraging more people in the cities to use bicycles as it is the most efficient way of getting around.

**Deputy Matt Carthy:** I am sharing time with three of my colleagues.

Cuirim fáilte roimh an Aire. Any Government spending in our economy is welcome and necessary right now. The only questions we need to ask about the package that has been announced by Government is who benefits and where benefits. The question of who benefits is

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really concerning because many ordinary workers and families will not benefit sufficiently from this package. Our carers, people who are providing crucial facilities, those who lost their jobs and family farmers will not benefit sufficiently. Where benefits from the package? I tell the Minister that my own constituency of Cavan-Monaghan will not benefit as much as it should from such a package.

I instance the tax rebate, in particular, relating to the Government's so-called stay and spend initiative. What it has essentially done is take what was a really positive and potentially hugely significant proposal for a voucher scheme brought forward by Sinn Féin and made it as regressive as possible. It does not invest in the businesses that desperately need support right now. Contrary to what Deputy O'Callaghan said, not everybody has the luxury of taking holidays in August, as Members do. Many people simply do not have the money to do so. Many of the businesses depending on such people investing and spending in their local communities or going on a short family break will not get the benefit of this scheme. Those consumers who can avail of the scheme will not be able to get the money back for a full tax year. People who visit a restaurant or stay in a local hotel or a hotel elsewhere in the State next January will not get the rebate for another 12 months. This will not stimulate the economy. In many cases, it will just put money back into the pockets of people who do not need it as much as our carers, those who lost their jobs and those whom I have mentioned.

There is a crucial provision in the legislation that needs to be removed if it is to have an impact on counties such as mine. To avail of the stay and spend package businesses will need to be registered with Fáilte Ireland. This is a crazy requirement. It is absolutely unnecessary and needs to be reversed. Most businesses in County Monaghan are not registered with Fáilte Ireland. Fáilte Ireland hardly knows where County Monaghan is in the first place. Why would businesses hand over €300 to register with Fáilte Ireland when they get absolutely nothing in return? Most of the bed and breakfast accommodation and most of the local restaurants simply are not registered with Fáilte Ireland. It is nonsensical and unacceptable that the provision is being put in place as part of the legislation. It serves no purpose whatsoever other than to give Fáilte Ireland a boost, in other words, it takes money out of businesses that can hardly afford it and puts it in the hands of that agency. It is absolutely unfair and I appeal to the Minister to withdraw this provision from the legislation.

The one area of our economy that does not need to be stimulated is demand in housing. Most young people and families cannot get on to the property ladder because demand is too strong and does not match supply. The help-to-buy scheme will simply pour oil on the fire of the housing crisis we already have. If the Government wants to stimulate housing, it should give local authorities money to build houses. This is how we will stimulate the economy through the construction sector and ensure young families can afford to buy a home. The provision in the scheme will not work.

We always welcome a VAT reduction but the reduction from 23% to 21% will not be felt by consumers because most businesses will have to soak up any saving in this regard. A reduction for the hospitality sector from 13.5% to 9% would have made a real impact. We have tabled an amendment in this regard and I urge the Government to support it.

The very notion of speaking about a stimulus package while removing money from the pockets of those who most need it does not make sense, and to suggest that over the course of this package we will reduce the incomes of people on the pandemic unemployment payment is absolutely crazy. It has austerity at its heart and does not make sense. These are the very people

who will spend every cent they get. They will actually support the businesses the Government has not supported in this package. To ensure our economy keeps ticking over and to support those people who need it most, those who have lost their jobs for no reason other than that their employers had to shut down as a result of this pandemic need support. I urge the Government to reconsider.

**Deputy Martin Browne:** The Bill falls short of what many businesses in Tipperary have told me they need. A key requirement for the businesses to which I have spoken is for a stimulus package that would not get them into further debt. Non-debt funding is also needed for the many leisure centres throughout the county, particularly in Thurles and Roscrea, which contribute to the community's physical and mental health and which face financial challenge because of the cost of having to close and the expected reduced footfall.

The Bill falls short of what is needed. We have done the sums and found the overall package equates to a ratio between debt and grants of 4:1. This ratio favours the financial institutions more than it does the businesses. The Government has given many businesses little choice but to continue to struggle along because they cannot afford to access finance that is only available through further debt. Sinn Féin told the Minister that grant assistance was a vital resource for many of the businesses but he chose not to heed our call. A grant package of €1.7 billion was what we called for, which would be in line with Germany and elsewhere, but the Government decided that businesses must get themselves more indebted. This will make some of them even more vulnerable to failure when faced with the challenges coming down the road.

A grant package was something the tourism industry in particular appealed for, given that many in the sector cannot avail of the restart grant. While it was extended to other sectors and the rates available were increased, it was not made available to those who could not qualify in the first round because of their turnover rates in the past. It is also likely the grant scheme will run out before many of the businesses that want to avail of it will be able to do so.

I also want to talk about debt warehousing. The Bill provides for the warehousing of PAYE and VAT debts for businesses severely impacted by Covid-19, which have experienced a significant drop in turnover and have been unable to pay their liabilities in part or in full. While there are businesses that will definitely make use of this, there is one particular provision that may prove counterproductive for some. It is the provision whereby no interest will be charged on the tax debts for the initial restricted trading period of 12 months. Thereafter, a 3% per annum interest rate will apply. This is likely to be problematic for businesses that may not have got back up on their feet at that stage but nonetheless will be faced with an increase in their repayments. Can this not be rethought, given that the impact on some businesses is more severe than on others? We must think of those who, because of the restrictions and guidelines, will be the last to open and may have incurred greater liabilities in that time.

Let us talk about the poor version of Sinn Féin's staycation voucher, the stay and spend initiative. We proposed a proper and more equitable voucher system but the Minister opted for the measure that excludes the least well-off, such as the unemployed, those without taxable employment and carers. Before the Minister seeks to refute this, he should allow me to quote from the briefing document, which states that to benefit from the scheme an individual will need to have an income tax or USC liability against which the tax credit can be set. This excludes many people, particularly those who have the least and are most in need of a break and who more than likely were particularly affected by the lockdown. It is also useless for many others.

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While a reduction in VAT is a welcome initiative, what was needed by the domestic sector was a reduction from 13.5% to 9%. The Minister should not claim the stay and spend initiative will make up for this because it will not, given that it is time limited until the end of April next year. Surely a more prolonged period of support is needed for the hotel and hospitality sector. While the measures in the Bill constitute a litany of missed opportunities, the Minister did not miss the opportunity to start with those in need of State supports through the pandemic unemployment payment. People are already experiencing a cut in their payments and further cuts are on the way.

I raise the challenges confronting our musicians and those involved in the arts and entertainment industries. They have told me that what they need at this stage is a survival package and not the stimulus package. A survey by the Music and Entertainment Association of Ireland found that 31.6% of respondents had their pandemic unemployment payment reduced and are now struggling to get by. They need the payment to be restored in full. Many are behind in utility bills and in danger of losing their vans and cars and are experiencing considerable financial stress. Some are in danger of losing their home. What does the Bill do for them? What will the Minister do for them?

The Government needs a few words of advice. Instead of fleecing financial victims of the crisis at the airport while at the same time awarding Ministers handsomely, it should understand it is supposed to work for the people out there and act accordingly. It has missed yet another opportunity to make things better.

**Deputy Ruairí Ó Murchú:** An awful lot has been said. We welcome some parts of these proposals. Obviously, we need to get as much stimulus as possible into the economy, which has been absolutely hammered. As has already been said by many previous speakers, it is very difficult to look at a stimulus programme while dealing with reduced pandemic unemployment payments. The pandemic unemployment payment and the temporary wage subsidy scheme were spoken about initially as necessities to facilitate people to make the best decisions with regard to health options. The deciding factor was that these schemes would also provide a stimulus in the economy and ensure people could pay bills such as rent. They would put money into local shops and butchers and other businesses that were still open and needed to operate. In some sense, we are speaking about a stimulus programme at the same time as we are pursuing austerity and regressive policies.

It has been stated that the stay and spend scheme is a yellow pack version of Sinn Féin's voucher scheme to give everybody a voucher. That scheme could have easily been delivered through Department of Employment Affairs and Social Protection offices or An Post and it would have allowed all people to go out and spend, be it on a meal or a short stay somewhere. We would have been able to give the tourism and hospitality sector, which has been absolutely hammered, a real stimulus and lift. It would have secured jobs and businesses. Instead, we are discussing a scenario in which people who have money and can afford to spend will spend, and those who are more organised will take a photograph of their receipts and get a return on them a year later. Not many people are going to go for a meal or are going to take a trip and so forth on the basis of a pay off they may get a year later. In that sense I fail to see how it will not be an absolute failure.

We welcome the reduction in VAT from 23% to 21%. However, as has been said by other Members, the failure in this regard relates to the hospitality sector. I have spoken about the damage that has been done and the dangers that lie ahead for businesses. We could have con-

sidered a reduction in VAT from 13.5% to 9%, which would have been a real stimulus. It was a lost opportunity and the Government must examine it. I accept that this is only one of the many steps in the stimulus programmes, but we must constantly recheck. Like everybody else, we are pointing out some of the flaws and the Government will discover them itself. At that point it will have to follow the feedback loop and improve the system to ensure we secure as many jobs and businesses as possible.

We also welcome the TWSS, even it becoming the EWSS, and the fact that there will be continuity of financing for businesses to maintain jobs. There are weaknesses in the fact that it does not secure low-paid workers to the same degree. We believe a little tweaking is necessary in that regard.

The help-to-buy scheme has major problems. As has often been the case previously, this may just be moneys that end up with developers as an unintended consequence. If the Government is determined to follow through on this, it will have to check this soon. We knew long before the election that housing is a major problem across the State. The only way to deal with it is through the State taking an active part in building affordable housing, affordable cost rental and public housing on public lands.

I welcome some of the measures relating to the self-employed such as enhanced and accelerated tax relief for people who may have lost money. This is very necessary. These people had profitable operations or businesses and they have suffered badly during this period. We must give them the necessary supports, but we must also ensure a large quotient of people fall into this bracket because my fear is that there is a large number of such people. We have already heard about people who work not only in the tourism sector but also in arts and entertainment. We must facilitate them with continued payments which are not necessarily cut and which allow them to conduct occasional gigs and the like, although they will have limited options in that regard.

We just need to tweak some of the positives in this Bill and remove the negatives.

**Deputy Violet-Anne Wynne:** My party and I agree with some parts of this Bill. We also feel that some aspects do not go far enough to support the hard-working low and middle income workers and families across the State. While I strongly agree with any reduction in the higher rate of VAT, I question the omission of a reduction in the lower rate of VAT focused on the tourism and hospitality sector. My home county of Clare is all too aware of how this pandemic has affected the tourism industry. We have seen the almost total collapse of Shannon Airport, the closure of Shannon Heritage sites, with some of them yet to reopen, and a decline across the hospitality sector in the county. The best option to support these struggling businesses would be to lower the VAT rate for the sector to make services more cost friendly at the point of use. For that reason we will table an amendment to the Bill to provide for the reduction of the lower rate, which will provide immediate liquidity supports to an industry that is on its knees. I strongly urge all parties and groups to support it.

On reading the July stimulus, I was baffled by the omission of 700,000 citizens from the scheme, especially considering that Sinn Féin proposed a voucher scheme a number of weeks ago that would have put money directly into the pocket of every citizen, which could then be injected back into the local economy. These vouchers would have given every person a helping hand, regardless of income and circumstances. The Government has taken the Sinn Féin proposal and made it as regressive as possible. Its proposal will require struggling families, who

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have had to defer mortgage repayments and other debts this year, to pay upfront for services and they may be able reclaim it in January. Can anybody see how this will benefit ordinary working families or how it would even be possible? How will families who are struggling be able to afford to avail of this scheme? Quite simply, they cannot. They will not be able to front-load the cost and that means businesses will not benefit from it. Have these points been thought through?

I am also at a loss for words when it comes to the proposal to extend the help-to-buy scheme. This scheme has never helped low and middle income earners to get on the property ladder. I constantly hear from frustrated people in Clare who are in steady employment, for example, in the pharma-tech industry, and who are unable to get a decent mortgage to buy a second-hand property. On the other hand, I also hear about people earning in excess of €100,000 being able to avail of a cash rebate of up to €20,000 on a new build. Where is the fairness in this model?

This Bill falls short due to its lack of supports for low and middle income workers, such as musicians, bus and coach operators, taxi drivers and students who are reliant on work in the tourism sector. This is a missed opportunity to put in place a package of supports for the most vulnerable in society who need a helping hand.

**Deputy Bernard J. Durkan:** I am glad to have the opportunity to comment on this important Bill. Over the years I have spoken on many finance Bills and budgets. I do not know if one learns with the passage of time or not, but I am struck by two issues. Comparisons have been made between the current situation and the economic collapse, as if the two were the same and the same remedy should apply. Some Members still reiterate that there were options ten or 12 years ago. There were no options then. We were destitute and the country was bankrupt. There were no banks and no place to go. We had to beg, borrow and plead with our colleagues across the globe to restart the economy. There were no options whatsoever. However, at that time a series of Members stood up in the House day after day and castigated the Government for the policies it adopted. They swore that they would fail, that it would be sooner rather than later and that a huge price was going to be paid. A huge price was going to be paid anyway and there were no options. We had nowhere to go to borrow anything.

*5 o'clock*

The banks in this country could not lend money to anybody. The country could borrow money only at a very peculiar rate, unfortunately for our sakes.

This pandemic is different. It came our way. Nobody invited it. We incurred it. It was just one of those things that happens occasionally, and we could not avoid it. People speak from time to time as if there were something that could have been done to avoid it. There was not. It was not possible to avoid it. People hold up other places and countries across the globe - not many - where better results were found. Some of the countries concerned have very little interaction such as the kind that takes place between this country and other European countries and our next-door neighbour across the water, notwithstanding Brexit. The amount of travel and interaction that takes place in this part of the globe is many times greater than it is elsewhere. It should not be forgotten that the London-Dublin air route is one of the busiest, if not the busiest, in the world.

We have to compare like with like and recognise that in a very difficult situation the previous Government and the current one have taken decisions that had to be taken in the first

instance to protect the health of the people. What would be said if nothing were done or if the virus had been allowed to run its course, as suggested in other jurisdictions? Darwinism would take over and the fittest would survive, and after a time the virus would run its course and dissipate. It did not happen that way, though, and still has not happened. The virus persists. We therefore have to be careful and conscious and make the right decisions. We must recognise two things. We may have to tweak these measures again. We may have to come back to them again. I advise and ask the Minister that that be done for all the legislation we have put through the Houses in the past few days. We must recognise that we may discover other issues between now and the next budget that may require attention. If that is needed, let us do it, but let us do whatever has to be done at the right time, in the right fashion and in the right volume to ensure we can sustain our economy in the best possible way and at the same time defend our people against the onslaught of the virus.

I was amused to hear some of the contributions from some parts of the House. Things have not changed over the years. I heard phrases such as “too little and too late”. The glass is empty. It never was half full. “Lost opportunity” is the favourite phrase nowadays. Then there is “more could have been done”, “more should have been done” and “more is needed”. Of course more is needed. More is always needed. When is enough enough? Nobody ever says something like that because one day - in the not-too-distant future, I hope - our economy will recover and learn to fly again. At that stage we must have spent on the one hand wisely and, on the other, strategically in such a way as to ensure that our economy is projected forward in a realistic and sustainable way and at the same time that we recognise that we cannot stay in this mode forever. It does not work that way. International communities and international trade do not work that way. We must therefore recognise that at the end of the day our economy must recover, and will recover, and that at that stage the economy takes over in the normal way and will survive, generate more demand and employment and self-generate. That is hugely important, and we need to recognise that it is still available to us and there for the taking.

I think back to 2011 and 2012, when various economists all over the globe wrote again and again that we were running the wrong way, that what we were doing would not work and that Keynesian economics was the way to go. Of course, one has to be able to borrow from somebody if one is to spend one's way out of an economic drift. These economists said there were options and that austerity, as they called it, was not one. It was out of necessity that the things that were done then were done. They had to be done. Severe risk had to be undertaken. The people stood up to the plate and recognised that there was a way out if we kept our cool, kept calm and made wise decisions, that we would be able to stand up again and revisit the situation in a few years' time. As a consequence, when this virus struck our economy was in a much more advantageous position. Obviously, we would prefer to be in a better position - we always will - but the fact is that we had done the right thing, despite all the criticism. By “we” I mean the people and the Government. I totally reject this notion in some quarters that there were several other options. There was none, and time proved that to be the case. Those who were in government at that time realise full well how few the options were, and because of this I think the right decisions were taken because the other options were not there.

Let us now look at what we need to do now. As the Acting Chairman knows, I have been critical of the lending institutions in this country and the way in which they handled the previous crisis. They could have done better. I am not being pessimistic. I am speaking as someone who has dealt with individual cases again and again and who continues to do so. This very day I dealt with a case in which a borrower had been contacted by a lending institution. The borrower

informed the lending institution that I was an authorised third party, and the banker expressed doubt as to whether that would be legal. Such bankers need to learn quickly. All of us have the right legally to represent our constituents in one way or another, as we see fit and when and how often we see fit. We do not need to be lectured by any lending institution as to what our role is in society, in life or wherever else. Needless to say, I have reminded the banker of this.

In addition, from my experience in this area, and this comes into focus in the context of this debate as well, some people will arbitrarily decide a business is not working and not viable. Who decides that? Is it the person who owns the business, the person who runs the business, the people who are employing the staff or some so-called expert who, on the basis of a desktop examination, will come to a conclusion? That may well be fine in the upper echelons of banking worldwide, and I know that it happens all the time, but we are in a minuscule situation in comparison with that and we have to deal with what we have ourselves on the domestic front. This means assisting in every way possible, including legally, the people we represent, acknowledging and rewarding the efforts they are making and challenging those who do otherwise. That is what instils the much-needed confidence in the country. It instils confidence in the people, the business sector and the domestic sector in general. That confidence is a necessity. I hope this financial stimulus will instil that confidence and will be selective enough to ensure that the people at whom it is targeted will be in a position to avail of it, that it will not prove to be beyond their reach and that they will not get frustrated in their efforts to avail of the assistance involved. This is a big package. It has been dismissed by Members of the House - for political reasons, obviously. Sometimes people should stand up and say that what they are saying is political and not factual. This is a big package, and more may have to come. We should treat it with the utmost respect and treat with respect also the manner in which it was put forward to target particular areas that will have maximum positive impact on the economy and, as a result, regenerate the demand that is necessary to keep the economy going.

I have been amused by some of the debate over the past few days on social welfare law and how it has changed.

I am afraid some of the Members who spoke either did not deal with many queries on behalf of their constituents over the past 15 or 20 years or knew what they were saying was incorrect. The fact of the matter is there always have been issues in that Department because of a huge budget. When I was a Minister of State, that Department had the biggest budget of any Department in the country. There always must be safeguards. My objection in the past has been to the manner in which some of the rules were applied. It comes as no shock to me and I hope my constituents were not the only ones targeted over recent years. Again and again, I had to intervene on behalf of constituents to such an extent that I became *persona non grata* in certain quarters but my job and my duty as a public representative is to represent my constituents, rich or poor, in all states and at all times and to assist and advise them in their best interest and that of the country. I would like to think I can still do that and will attempt to do that.

The points that have been raised appear to have been raised in the context that new, intrusive regulations have been introduced. They have not. They have always been there and operating. I do not say they were what I would have wanted but they were there. There was severe scrutiny of individuals up and down this country over the years. I have as much experience of that business as anybody in this House and more than many. I went to the appeals system more often than I can account for. Sometimes I won and sometimes I lost but, generally, I won on the basis of the rules that were there and the manner in which they should be interpreted.

I want to make the point that we should be factual, particularly in opposition, and God knows that we in our party spent a lot of our lives in opposition. We need to put forward points of view that are realistic and fairly accurate. Otherwise, we generate antipathy among the public, not for any individual - although that has happened in the past, as well - but antipathy to the institution we represent. Generating antipathy towards the institution we represent in this House is wrong and does not do anybody any good. It serves the short-term purpose of popularity for those who do so but it does not address the issues the people are concerned about.

I believe we are doing what is necessary in restoring the economy. In relation to the boost for the housing deposits, for instance, I am not certain that is going to work because it certainly will not reduce the cost of housing. One thing we learned over the years was that the more the housing market is supported directly with a direct injection, the more expensive houses become. What we really need, and in this I agree with the last speaker, is to build more houses. We need to build more local authority houses and more affordable houses. There is no sense in saying it cannot be done. This has been said to me again and again over the past ten or 15 years. Of course it can be done. It was done when we had less aptitude in that area in the past. We were able to build houses to meet the needs of the country down through the years when we had little mechanisation and very little money. We, as a country, did what we had to do in those circumstances and it was successful.

We can spend all the time in the world crying about what we have not got, calling for more, becoming depressed and depressing everybody else. We can shout and roar and point to our individual constituencies and say how bad they are. We can depress the people we represent more than is needed. People go through a lot of trauma. There was trauma during the financial crisis. There is trauma during this crisis and we will continue to go through it. We need to assist them and assuage their fears insofar as we can. We need to be realistic. We should not exaggerate. We should try to do the best we can for them and to do it in the way we would like to have it done to us. We have had various scares over the years and Deputy Jim O'Callaghan referred to the fact that there is a crisis on the horizon all the time and there always will be. That is the way it is. However, we have to be prepared for it and prepared to do the right thing to assist those who need assistance, to do it in a positive and supportive way and to recognise that one day, we will turn that curve and it will be to their benefit and ours. We need to address the issues of concern as shown by the people in the most recent general election. There is no doubt that there were issues there. It is the job of the present Government to deal with it. In the financial crisis, we had to restore the financial structures, the banking system and the economic system of the country and we had to restore confidence in the country, both national confidence and international confidence. That was done. The next phase is to restore the social fabric of the country and its people and to make it meaningful for them so they know the Government they have in office at any given time is mindful of their needs and concerns and that such a Government is willing, ready and able to respond.

Denigrating and castigating ourselves will not do anything for us. We have to revive ourselves and our enthusiasm. We have to look forward in the clear knowledge that we can do it and we will have to do it. That is the way it has always been and always will be.

**Deputy Carol Nolan:** I am happy to speak on this important but technical Bill. As we know, the purpose of the Bill is in part to provide access to funding sources by enabling the State to participate in European instruments designed to deal with economic impacts of Covid-19. One of the main instruments is the European scheme for temporary support to mitigate unemployment risks in an emergency, SURE. With respect to this scheme, as I understand it

from reports in the *Financial Times*, at least 18 member states have submitted expressions of interest for loans totalling €94.5 billion from the SURE programme. This selling of almost €100 billion of new debt will make the EU the largest issuer of bonds in Europe, aside from the national governments. This is in addition to the €50 billion of bonds that are outstanding, most of which were used to fund loans to Ireland during the debt crisis. From what I can see, these bonds will be backed by a system of voluntary guarantees from the EU's national governments worth €25 billion. Can the Minister, Deputy Donohoe, provide some clarity on the nature of Ireland's relationship to the voluntary guarantee aspect of the SURE scheme? This is important because we need to know if Ireland will be financially exposed, given the high levels of Europe-wide debt about to be created.

The Minister of State, Deputy Fleming, accepted during a debate on this Bill in the Seanad recently that one of the most important and prudent conditions on the instrument is the requirement that no more than 10% of all loans will fall due for payment in any one year. He also mentioned that one of the benefits of this guarantee mechanism is that it ensures member states do not have to pay any money upfront. I seek more detail on when the money will have to be repaid and when will the period of not-upfront run out. I acknowledge that there is a sense among some EU observers that, while SURE goes some way towards creating much needed lending capacity, it is far too modest to have a significant impact on the EU's fiscal response to the Covid-19 crisis. According to the Bruegel think tank, the main limitation of SURE is that it solves the wrong problem. The think tank also notes that access to finance is not an issue for euro area countries at this stage, thanks in large part to the massive intervention by the European Central Bank since mid-March but that were access to finance to become a real problem for some countries, SURE would then become too small. I raise this particular aspect because of my concern that our capacity in Ireland to access finance certainly will become more of an issue in the months and years ahead. I refer here to the rather sizeable elephant in the room, namely, the scale of our national debt. We know from the Oireachtas's Parliamentary Budget Office that Ireland's debt-to-GDP ratio is currently 59%, which is below the EU average and the 60% threshold set by the Stability and Growth Pact. However, using a more appropriate measure of economic activity for Ireland, we see that the debt-to-GNI ratio is 100.2%, which is significantly higher than the EU average. I have concerns that because we are now part of the voluntary guarantee aspect of the SURE scheme, any future exposure might make life very difficult for us.

I will conclude by referring to the VAT rate of 13.5% applying to some sectors, which was increased some time ago from 9%. Will that rate be lowered given that businesses in the tourism sector are really struggling? Many hairdressing businesses are trying to get back on their feet and rebuild their business after a significant period of unprecedented disruption. Will a lower rate be sought in their case? I understand the Government does not have the power to reduce the VAT rate, but will it seek to have it lowered for the sectors that need it? I would be grateful if the Minister could answer those questions.

**Deputy Michael Moynihan:** I welcome the opportunity to contribute to the debate on this legislation. There are some aspects of it which serve to underpin the funding coming from Europe and by way of the July stimulus package that was announced in the past few days. Looking at the overall context, we are in a very difficult position post pandemic. The period from the early days of the lockdown in March through to the present time has seen many sectors of our society very hard hit by the crisis. The carnage and chaos in the business community are there for all to see. I know every Deputy in the House will be talking to people in business and

in communities who are under severe pressure.

It is very important that we look at how the pandemic has changed people's lives and made many changes to society. As is always the case, the public is ahead of the political curve in this regard. We have seen the changes people have made to the way they live their lives. Working remotely, or smart working as some people call it, has taken on a life of its own and has completely changed many aspects of life for people. There are many lessons we have to learn from Covid, including the public health issues and all of that, and from the changes in society arising from the crisis. We should be very grateful to the Irish people for the way they bought into all the draconian measures that were introduced, from the very start of the lockdown period in March and April. They put the greater good ahead of their own immediate concerns and their family lives. Many people have suffered and lost loved ones through Covid and that will leave a scar. In my opinion, it will have an impact for generations to come, not just for the people who experienced it and were traumatised by it. I have heard of many people who went through very difficult experiences during this time.

We need to look at what has happened in society in recent months and recognise the extreme lessons that can be taken from it. Things are different from how they were prior to the pandemic. This time last year, if people in this House talked about working from home, it was seen as an aspiration that rural Deputies had in their minds. It was considered flimflam and something people did not take seriously. I say this with the greatest respect but city people thought it was an aspiration that was out of touch with reality and that everything would have to be as it was, with society having grown through urbanisation over the past decades. The view was that everything had to be in the large cities. If the people who are making decisions, whether they are from large urban centres or not, reflect carefully on what has happened, we will be able to build a better Ireland out of it.

We have to look at a continuation of remote working. Going back ten or 15 years, when a programme of decentralisation was announced, it was scoffed at and begrudged, with some media people saying the plan was drawn up on the back of a cigarette packet. I would challenge all those who were very critical of the programme because, in fact, it had an enormous impact where it was carried through and brought to fruition. In the instances where it was effected properly, it had a huge impact on the Departments and agencies in question and an enormous economic impact on the communities to which those services were decentralised. The Minister must take a very bold approach in looking again at the decentralisation of workers out of the large urban centres.

We in rural Ireland have an awful lot going for us. At the height of the pandemic, many people were looking energetically at the prospect of rural Ireland being a place where they could live and work and, in addition, better protect their families going forward, because rural communities are less vulnerable to infection than those in large urban centres as a consequence of there not being too many people together in the one spot. We have to look at the positives of living in rural areas and be unashamedly demanding that society take on board what we have to offer. We must make no apologies in any way, shape or form for the fantastic facilities we have in rural communities. In fact, we must build on them. Where policymakers or others are looking down their noses at country folk, we must seek to take that attitude away and dispel it once and for all. We have a massive amount to offer, from the cradle to the grave, and we must ensure that decentralisation is put back on the table and that people are taken out of the large urban centres.

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Before the pandemic, and especially in the period prior to the election, many people were talking about the trains being full going into Dublin. People were commuting on a daily or weekly basis from Cork, Limerick Junction and everywhere else and we heard about how the early morning Cork train was full at Thurles or even before it. That is not living. We have proved that the work people were doing in the cities can be done very well and, in some cases, even better when it is done in rural communities. We have fantastic education facilities and better communities than anywhere else. That really needs to be acknowledged and we need to look at how we can make things better for those communities into the future.

The provisions in the July stimulus are desperately important because many businesses, particularly in the service and tourism industries, have been shattered by the pandemic. We have seen how bus contractors, for example, have lost their livelihood. I have been talking to many people who would have worked on bus tours during the summer months. All of that has changed. We have to be realistic about what we can rebuild. We must look to rebuild sustainable communities throughout the State. We need to challenge the sometimes nonsensical approach - I have to use that word - people in Departments take to issues concerning rural Ireland. There is no shadow of a doubt that such an attitude is there. A type of dismissive approach to rural communities is inherent in some Departments. Rural communities have the ability to contribute enormously to Irish society and we have to make sure that policymakers, whether politicians or senior people in Departments, recognise what we have to offer and that many workers from rural areas can give a better service to people if they are allowed to work from home. Many Departments have been decentralised over the years and every public representative in the country engages with them. Such offices, whether in Kerry, Limerick, Clare, Cork or anywhere else, are efficient and excellent at doing their job. The Department of Agriculture, Food and the Marine was decentralised to Wexford and Portlaoise and no one can say that those two offices are not doing their jobs properly. We have to challenge this notion that it cannot happen because it can, with the proper will from the Government. We should take a look at what happened during the pandemic. Irish people are always a step ahead and they have made these decisions already. One multinational company told its workers this week that it would not bring staff who were working from home into its headquarters for another 12 months. It has made the decision that people are productive while working from home and are doing an excellent job in those communities. We as a State have to take on board what is happening. People have changed their attitudes, spoken with their feet and have been working from home in their communities. Doing so leads to a better life, more fulfilment, more involvement in communities, a better family life and a better society that supports families, elderly people and young people. It leads to a completely better life and this notion that everything has to be centred in Dublin must be dispelled.

As the Government makes decisions over the next while, I appeal to the Minister to be bold and brave and to embrace the changes society and people have made by voting with their feet. We must engage with people and embrace the changes they have adopted. We must also put a proper scheme in place to incentivise people to work from their own homes and communities and to enhance those communities the length and breadth of the country. I refer to my own community in Duhallow in Cork North-West. We must also make sure that the decisions taken are brave enough and that the Government is brave enough, on this occasion, to put together a proper decentralisation agenda. Departments should be moved out of Dublin to places with cheaper rent, reduced commute times and less demand on taxpayers for transport and housing. By doing that, we can have more people living in rural communities and build them up.

**Deputy Éamon Ó Cuív:** I welcome this Bill but I have some deep reservations about it. They are quite technical and I hope the Minister can take them on board. There is a pattern in rural areas, particularly along the west coast, of tourism businesses opening from St. Patrick's Day, or around March or Easter, and closing around Hallowe'en or near Christmas. Many of them are not open in January and February every year. That is crucial because, as a consequence, they were not eligible under the TWSS. I welcome the effort to address this through the introduction of the EWSS. Many of these businesses, such as hotels and so on, did not open at all in the first half of this year and so their turnover for that period was down by 100%. If the staycation incentive works, their income in the second half of the year might be quite good and might be over the 70% threshold. According to the Bill as drafted, these businesses, which were not entitled to the TWSS because they were not trading in January and February, will also not be entitled to the EWSS if their turnover in the second half of the year is over 70%, despite the fact that the gross turnover might only be 40% of their 2019 turnover. Businesses that were trading in January and February and continued trading throughout the year at a capacity of just under 70% would be entitled to both schemes. I suggest a very simple change, which is that the 1 July date is put back to 1 January. If a business' turnover for the year is down by 30%, it should be entitled to the scheme. Otherwise, there will be a double-whammy for seasonal tourist businesses, which will put many of them out of business.

I am always worried about the second iteration of a scheme because sometimes when people get at it, they add more and more conditions. When I looked at the small print, I noticed that, for some reason, proprietary directors are now excluded from the EWSS scheme. Ireland is full of very small self-employed businesses, some of which are formed into small companies, and the proprietary directors can sometimes comprise between 40% and 70% of the workforce. These proprietary directors are ordinary workers in the business as well. This Bill proposes to allow them to write off last year's tax, take a credit or average it over two years, but that is not going to solve these people's problems because while some of these companies will be making a profit, the actual profits will be very small once they have paid themselves a salary. Some of them will have a small turnover. I know of one company in the crystal business, for example. As there will no foreign tourists this year and its product is not as big a seller on the local market for the staycation business, it will hold onto its master craftspeople for the full year and will produce products that, please God, it will be able to sell next year if its bookings hold up and we get international tourists. Its other choice is to let its master workers, who in some cases have been there for up to 40 years, go. The Minister knows the consequence of that. Losing that kind of expertise would decimate a small business. I hope that even at this late stage the Minister might be able to look at the exclusion and take it out of the Bill, at least for very small companies. It would make a significant difference if he did so.

I refer to the staycation or stay and spend tax credit. I listened to the debate on this matter and I can understand the attraction from an administrative point of view because it is a good fix given how many taxpayers there are. However, I join those who said it removes a very important segment of people from the market, namely, those who do not have a taxable income or do not pay income tax. As the Minister is aware, there is a tax exemption for people over the age of 65. Couples with an annual income of less than €36,000 and single persons with an annual income of €18,000 do not pay tax. Many of those people, however, have paid for their houses, have a little bit of money in the bank and have some to spend. If anyone doubts that, I suggest that the Minister talk to his good colleague, Deputy Ring, who lives in Westport. That is a town that stays open throughout the winter every year, specialising in a market built around the railway station. People over the age of 65 get free travel to Westport, where they stay in good

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hotels at good rates. That has created great life in the town.

This scheme will not attract pensioners such as these because there is nothing in it for them. There has only ever been one scheme with a reversible tax credit. I was trying to recall which one it was. People who had no tax to pay could get the value of the credit back from the Revenue. It was a simple enough mechanism. Revenue has the bank details of nearly everybody and it is very good at making tax refunds. If someone sends in a tax return to the Revenue and has slightly overpaid because of health expenditure, etc., the Revenue will always repay the overpayment. It is efficient and not overly bureaucratic.

It would be a major boost to this scheme if the Minister included such a process and made a rebate available. Even people with no income tax liability, therefore, could get the value of the tax credit paid into their bank accounts. There is a major market for the very people the Minister is trying to get to spend money, namely, savers with money in the bank and people with no debts. We must remember that those over the age of 65 account for a large proportion of the people with the ready cash needed by businesses in many towns. Westport and other towns in the west will make themselves safe regarding Covid-19. They will organise in a safe way and the same has to be said for Iarnród Éireann. For this reason, the change I propose could be introduced.

These are practical measures that could be taken that would address the little gremlins that get into schemes. To summarise, I ask that the 1 July date be brought back, as otherwise the scheme will be totally lopsided against seasonal businesses, which will, please God, do relatively better in the second half of the year, having had no business until the end of June. The second point is in respect of the proprietary directors and the third concerns making it even better for staycations by allowing all people registered with the Revenue in on the gig.

**Acting Chairman (Deputy Alan Farrell):** I thank Deputy Ó Cuív. In recognition of the political groupings and the manner in which Members have indicated, I call Deputy Michael Healy-Rae, who will be followed by Deputy O'Donnell. Deputy Healy-Rae has up to 20 minutes.

**Deputy Michael Healy-Rae:** I will not take that long, but I thank the Acting Chairman for allowing me the opportunity to speak on this important issue. I have not had the opportunity since the Minister's reappointment to wish him the best of luck and success in his role. I know he will be extremely diligent and hardworking, and I always appreciate and respect that very much. The Minister knows that the hospitality sector, including our hoteliers and vintners, was desperately hoping that radical changes would be made in the VAT rate and it would be reduced again. There were calls to bring the rate down to 0% for a period and then increased back to 9%. I was hoping the Government would have looked at that proposal sympathetically because it would have been a great stimulus and would have encouraged people to use the hospitality sector again. Much of that sector is on its knees now.

I must use this opportunity to plead with the Minister, on behalf of the Vintners Federation of Ireland, VFI, which represents our publicans, to ensure that pubs will be allowed to reopen on or before 10 August. The major fear people have is that the pubs will not be allowed to open then either. If the Minister can, I would like him to make a statement on whether it will be possible to allow the pubs to open on or before 10 August.

Returning to the rate of VAT, I honestly do not think it should have been increased from 9%.

I lobbied the Government and the Minister hard about this issue in the past and I was hoping this opportunity would have been taken to bring VAT back down to a much lower rate. Unfortunately, that did not happen. There are also anomalies, for example, when we talk about trying to ensure that employers will be able to continue benefiting from the existing employment incentive schemes. I appreciate what the Government is trying to do, but as a person who operates a small business, I fully understand the difficulties small businesses have now. I referred to small businesses but I must also talk about bigger businesses because bigger employers have the same issues as smaller employers, only compounded by having more employees. They are desperate not to lay off people. They want to get everybody back to work and keep employing the people they have because they respect the work of those people and their contribution to businesses over the years. These employers just want to get the wheels rolling and the show on the road again.

There are issues with the fine-tuning of this initiative. The provision setting out the percentage of turnover by which businesses must be down if they are to continue to receive these payments can be misleading. I know of businesses which should be continuing to avail of the scheme in some shape or fashion but cannot do so because of the way the reduction in income is set. The reduction should apply for a period of time.

I am not one of those, like some who sit to my left at times, who believe the money in the Minister's pocket is endless and he can wave his hands and do whatever he likes. I am a realist and live in the real world. I understand the budgetary constraints the Minister operates under. I realise fully what it takes to balance a book, and whether someone is the Minister for Finance or the proprietor of a pub, shop or small manufacturing business, I live in the real world. I am not asking the Minister to do the impossible. I am asking him to do what could be achieved and perhaps to readjust the figures to allow people, for a limited time, to continue to receive the assistance they need regarding employees. Sometimes being in business is like being a farmer. It could be a case of hitting a desperate wall of financial difficulty, and if it were possible to get over the hump, it might be possible to reach greener pastures where better days would be ahead. It is like the situation during the last economic crash. Many businesses went out of operation and we were all terribly sorry to see that happen. A small thing might have sustained those businesses then and got them over that hump. All I hope now is that the Minister and his officials will be able to look sympathetically at the types of cases I am alluding to.

The more businesses that can be opened and the more economic activity we can get going, the better. It is awful to walk around, even in the city of Dublin, and see all the fine businesses still closed. It is upsetting and frightening to think of all those people at home who would rather be gainfully employed in their workplaces. They would give anything to get back to normal and that is all people want.

I am not coming in here knocking and criticising the Minister or his Department for what they have been doing. I honestly think the Government has been as proactive as possible. I would have reservations over the amount of praise lavished on the EU deal that was agreed last week. The Minister knows that I acknowledge everybody's work. The Taoiseach travelled to take part in last week's summit and of course he did his best but I would not herald it as a great deal for the Irish. We will have to contribute an awful amount of money so there is an argument to be made there. That said, I believe everybody is trying to do their best. It would be welcome if we stimulated the economy and kept small businesses going while trying to address anomalies within the system for a period of time. It would mean a lot to the people I represent.

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I spoke today and yesterday evening about musicians. There are approximately 35,000 musicians in the country about whom there has been very little talk. Their lives have been completely turned upside down and their financial needs are as great as anybody else's. Many of them were not working on 6 March and have not been working since and, as such, have failed to get any Covid money. Those people have been unemployed all of this year. This was to be their time for making money, playing music and entertaining people but, unfortunately, it has not happened. I desperately ask the Minister to help with this issue.

There are imaginative business people in that sector such as the O'Donoghue family in Killarney, County Kerry. That family has been involved in the hospitality sector for decades, more than 60 years, proudly flying the flag for Kerry and entertaining people in the magnificent INEC. They came up with the idea of drive-in concerts and, unfortunately, had to scrap their programme because it was deemed that entertainers should not be on stage. At the same time, drive-in bingo was perfectly acceptable. There should have been no problem if people were acting responsibly on stage and there could have been one-man or one-woman shows. Where is the public health danger in that? It did not make sense.

That innovation and others like it would help to create economic activity and employment. I appreciate that the Tánaiste last week told me that the Government was going to look seriously at the issue. I am naming the INEC in Killarney because it is my own local centre for that type of entertainment but how many more businesses could have that type of drive-in concert? These are employers who are trying to keep their doors open. Could we, as politicians, not help to facilitate that type of drive-in facility where entertainment would be provided? If I thought it would cause public endangerment, never in a million years would I ask the Minister to consider it. I do not want to see one person's life or health endangered but, at the same time, we cannot wrap ourselves in cotton wool forever and consider it unsafe for people to drive a car into a massive car park to watch a concert on stage. My goodness, where is the wrong in that? Where is the public health endangerment? It does not make sense.

I ask the Minister and the Government to consider sensible suggestions such as that one. I rely on the Minister to be commonsensical. He cannot tell me that the Government will look at these kinds of suggestions in the future because we need to look now. We need this to be done before Friday in order that in the short time that is left of our summer, businesses can be given a green light and a helping hand from the Government.

I also want the Minister to do everything he can for the hotel industry. I have been contacted by many employers who are worried about getting people back into the workforce if they have work available. Employers want to ensure that the Government will do everything possible to encourage people, if there is work available for them and as soon as it is safe and appropriate to do so, to come off the pandemic unemployment payment.

**Acting Chairman (Deputy Alan Farrell):** I am sorry to interrupt the Deputy. I am conscious that the remaining time for Second Stage is counting down and Deputy O'Donnell is present. I ask the Deputy to allow Deputy O'Donnell speak.

**Deputy Michael Healy-Rae:** If the Acting Chairman is telling me to yield to somebody else, of course I will.

**Acting Chairman (Deputy Alan Farrell):** I appreciate that.

**Deputy Michael Healy-Rae:** I am grateful for the time I got.

**Deputy Kieran O'Donnell:** I thank Deputy Michael Healy-Rae for giving way. I welcome the July stimulus package of €7.2 billion. I wish to raise a few points that have come up in conversations I have had with business people in Limerick and north Tipperary, particularly relating to the employment wage subsidy scheme. The existing scheme covers proprietary directors, who are people with more than 50% shareholding in a limited company. Many businesses in the SME sector operate such incorporations. Typically, a person to whom that applies starts out as a sole trader before incorporating into a limited company. Proprietary directors are covered under the existing scheme and would be considered an employee of a limited company. I think it was a good measure to keep all employees together, including proprietary directors.

Under the legislation before Members that provides for the employment wage subsidy scheme, proprietary directors do not qualify. That needs to be amended. I know that, under the previous scheme, the Minister looked to correct anomalies where they arose. The general thrust of the scheme is very good.

I hope that guidelines will go up on the Revenue website as quickly as possible. Many employers are asking me about the arrangements for paying staff and the amount they can expect to receive. Ultimately, this matter is all about getting people into employment and keeping them there.

I ask the Minister to look specifically at amending the legislation to include proprietary directors who are effectively the owners of SMEs that happen to be incorporated, as many businesses are. That is something that needs to be corrected and amended. I have been getting a lot of feedback on that matter. The guidelines for the scheme must go up online.

I welcome the fact that the Minister is allowing business losses for a sole trader in 2020 to be put back against 2019. Many businesses will be getting their 2019 accounts ready at the moment and will file returns in October. It would expedite matters if people can throw the losses back to the 2019 tax year. It is likely that people will have overpaid tax last year and would be entitled to a refund that would give their businesses an enormous boost. That is important.

The staycation credit is welcome. The Minister has talked about an application through which people can claim that credit and it should be put in place as quickly as possible to allow people to make those claims. It is a welcome measure. It is good that consumers will pay hotels and bed and breakfast accommodation to stay in them and, together with other areas of hospitality, can claim a credit back. Pub owners are anxious because they want to reopen in a safe fashion and I ask that guidelines for that area will be looked at.

I will turn now to look forward and consider the future of Ireland. The negatives from the pandemic have been difficult on businesses but there have also been positives. There is now a model for working from home and flexible working hours that can work. Using Zoom meetings benefits the climate because people do not have to travel. I welcome the fact that we are looking at that whole area. Decentralisation must now be looked at again in a constructive way. The last effort at decentralisation had a few successful elements but ran aground. It needs to be looked at again and issues like traffic must be considered. Balanced regional development requires 75% growth outside Dublin.

*6 o'clock*

That is important and would be a practical measure to assist those outside the greater Dublin area.

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The Microfinance Ireland loan scheme has been a great success to date. However, the Minister is probably aware at this point that it is not accepting any new applications. Many businesses want to apply for loans and to get their businesses back up and running. I ask that the extra funding that will be made available to Microfinance Ireland be expedited. It would have a very practical import. I also welcome the fact that the restart grant scheme has been significantly enhanced. That is important for businesses.

The July stimulus package is to be welcomed. I expect it will feed into the national economic plan in the next budget. I always felt that one of the successes of the Covid pandemic from the point of view of Government was that it was very flexible in regard to the arrangements that needed to be tweaked. The employment subsidy scheme was tweaked on a number of occasions. It works very well.

We need to tweak other schemes to ensure that proprietary directors can be included. That would make an enormous difference to businesses. There is an anomaly whereby employees are in receipt of the WSS but two, three or more proprietary directors cannot claim Covid payments because their company has had to cease operation. It is an anomaly that needs to be corrected.

We need to get the staycation app up and running. Decentralisation needs to be progressed. There is a need for a White Paper policy statement on that.

If the Minister did nothing more but instruct Microfinance Ireland to continue to accept loan applications so that they can be assessed until such time as extra funding is put in place to allow payouts, that would be welcome. There is no reason we should lose time. It is something about which I feel very strongly.

This Bill is about getting people back into employment. Businesses face very challenging times. I commend the Irish people and, more particularly, Irish businesses and employees on what they have come through. The July stimulus will provide them with a significant degree of support and I compliment the Government on its work to date. I will continue to work with it. Anything I have put forward is done with the aim of improving what are the very good schemes that are in place and ensuring they work to the maximum extent possible to keep people in employment and to get them back into work.

**Acting Chairman (Deputy Alan Farrell):** We do not have time for the Minister to make closing remarks on Second Stage. I apologise.

**Deputy Kieran O'Donnell:** Would it be possible to allow the Minister to provide a brief summation?

**Acting Chairman (Deputy Alan Farrell):** I am very sorry. The slot was due to conclude at about 5.56 p.m., which I was not aware of until the last minute. I apologise to the Minister and Deputy.

Question put and agreed to.

**Financial Provisions (Covid-19) (No. 2) Bill 2020: Committee and Remaining Stages**

SECTION 1

Question proposed: "That section 1 stand part of the Bill."

**Minister for Finance (Deputy Paschal Donohoe):** Will I make a comment on each section as we move through the Bill? I am happy to do so.

**Acting Chairman (Deputy Alan Farrell):** It is in the hands of the Members present. There are a number of amendments. If the Minister wants to make a statement on section 1, there is no amendment.

**Deputy Paschal Donohoe:** Section 1 is a definitions section.

**Deputy Richard Boyd Barrett:** I would be-----

**Deputy Paschal Donohoe:** I am glad I-----

**Deputy Richard Boyd Barrett:** I would be glad if the Minister did respond to some of the points raised on Second Stage.

**Acting Chairman (Deputy Alan Farrell):** Unfortunately, as I have already stated that will not be possible. Time was not allowed for that and it was not brought to my attention, I regret to say, until it was too late. I had assumed the slot finished at 7 p.m., in which case there would have been plenty of time for everybody to make a contribution. Unfortunately, that is not the case. There are a number of amendments which I think-----

**Deputy Richard Boyd Barrett:** Can we speak on the section?

**Acting Chairman (Deputy Alan Farrell):** Yes.

**Deputy Richard Boyd Barrett:** Can we turn on the microphones?

**Acting Chairman (Deputy Alan Farrell):** That is not in my control.

**Deputy Richard Boyd Barrett:** We can go section by section.

**Acting Chairman (Deputy Alan Farrell):** Section by section. Okay.

**Deputy Richard Boyd Barrett:** That is how it works.

**Acting Chairman (Deputy Alan Farrell):** Section 1 has already been introduced. Does the Deputy wish to make a contribution?

**Deputy Richard Boyd Barrett:** I want to speak on the section.

**Acting Chairman (Deputy Alan Farrell):** The Deputy may do so.

**Deputy Richard Boyd Barrett:** I hope the Minister will respond on the section. Section 1 deals with definitions. The problem with one definition is that it refers to employers only in terms of the wage subsidy scheme, WSS. As I pointed out on Second Stage, many people need an income subsidy but they are not employers or they are their own employer, that is, they are self-employed or lone traders. This group, to put it bluntly, has been left hung out to dry in the

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July stimulus. They should get the benefit of an income subsidy.

I would like the Minister and Government to explain why this is happening. Some sectors have been decimated by public health measures that have protected us all, and people's willingness to adhere to them. Why are employees now being betrayed - there is no other way to describe it - by having their PUP payments cut without being offered an alternative support until their sector recovers? The Government owes these people an explanation. They are very angry.

I spoke to Mary Coughlan on the telephone. She was quite happy for me to cite her as an example. Her case is typical of many self-employed artists. They have had their PUP payments cut from €350 to €203. She pointed out that pre-Covid she earned €20,000 a year, which is a modest income. As a result of Covid and the public health measures, she has had 35 concerts cancelled in Britain, Norway, Finland and elsewhere. She has no idea when there will be any substantial recovery in the gigs available to her. This is all because of public health measures. We need to protect our society, but her livelihood is gone.

Her story is repeated by dozens of people working in the sector. Lighting designers and self-employed musicians were earning €25,000 or €30,000 a year. Their payments have been cut to €203 despite the fact that they were earning in excess of €200 a week because of the way income for the self-employed is reckoned by Revenue. I could go through a long list of those affected, but I do not have time to mention them all.

Many musicians, including Mary, pointed out to me that they regularly do gigs for Pieta House, women's refuges and support various good causes for free on national television. Then, when a moment comes for a bit of reciprocal solidarity from the Government, the artists, musicians and the crew standing beside them are cut loose. I really want the Minister to understand that the mental health trauma a lot of these people are going through is severe. The musicians' association that has been set up with 4,000 members is saying a large number of musicians and crew are suffering from serious stress, anxiety and mental health issues because their incomes have been slaughtered but they have no way to get back to full earning capacity.

They have appealed, as have I on their behalf for weeks now, for an income subsidy the same as the Minister is giving to employers. They are not asking for handouts but for the same income subsidy scheme, or similar, to the ones the Minister is providing for employers. If they lost 30% of their turnover, he is paying the wages of their employees. Why can he not do that for the musicians, crew, artists and actors? It is wrong. Why can he not do it for taxi drivers who are in the same boat? They are having their payments cut again. I can read out the names. They have had them cut, and more will be cut as a result of what the Minister did yesterday. They are now being whipped back to work but there is no work for them. They are asking for an income subsidy the same as the Minister was giving to thousands of, often profitable, companies. Will he please do that? It is relevant to this section, because there is no reference to this group in the definitions section but there should be, because that is what "We are all in it together" means. Or is it that we are all in it together but some people are more all in together than other people, to paraphrase George Orwell. It is rotten and it is a breach of the trust and solidarity that the Minister preached and people bought into over the past number of months because these people have served our society and now, they are being cut loose and betrayed. I appeal to him to please respond and tell us what he will do to help these people.

**Deputy Mattie McGrath:** I too want to speak to this section and echo what Deputy Boyd Barrett said. It is cruel that the self-employed are once again discriminated against regarding

the PUP. The failure of the Government to take the 2019 assessment into account was an oversight that caused untold hardship. These people, as Deputy Boyd Barrett and others have said, are self-made. Many of them, perhaps, were in employment ten 10 years ago or whenever and decided to take up their hobby and turn it into a business. Then, when they became successful, they became self-employed, but they take risks. Many of them have loans and use their own family home as the guarantee for the loan.

Some of this equipment is frightfully expensive, and not only that for the musicians, but for sound and lighting engineers and event organisers. There are many of them and, as I have said several times, it is part of our culture. Whatever music type it is, it is part of our heritage. To be told now to go off and get another job is totally disgraceful. Are we going to wipe away, disband and cast away the wonderful groups that we have? Deputy Boyd Barrett mentioned Mary Coughlan. There are thousands of Mary Coughlans and others like her, who had full bookings and full engagements until the Government decision in March, which we all supported in good faith. They are now being discriminated against totally and utterly. Their diaries were full and they were not looking for anything from the Government. They were paying their VAT and other taxes, and insurance on the equipment. They were paying their motor insurance and for their vehicles.

In a survey the MEAI has conducted on its 4,000 members, 11.6% had utility bills in arrears and 9.7% had to sell essential equipment to cover household expenses. How will they get started again if they had to sell this equipment? Some of them have a huge affection for their instruments. They mind them the same as they would mind their children. They love their instruments and by using them with exemplary skills, they give solace and entertainment to all of us and many other people. Some 7% had lost, or were in danger of losing, their vehicle. That vehicle might be a crew car or van that is used to bring their kids to school or to go on outings. It is a work van but also the family mode of transport. A further 3.4% are in danger of losing their home. It is shocking and we talk about the homeless here and the so-called vulture funds. Are they going to be fired to the vultures? Some 17.4% are dealing with mental health worries as a result of the financial stress, which is shocking. Another 2.4% have considered self-harm. These people are outgoing and giving of themselves and their talents for the entertainment of others. They help people's mental health and now they are in that situation themselves. The Minister seems to be hard-faced and stony-faced in their plight. We must stand up and support them. It is shocking that he can just roll over here.

I am going to question the Covid-19 pandemic once again. Are we trying to drive small businesspeople out of business? That is what it seems like to me. They are people who have the motivation to be self-employed and pay their taxes and to get a group or a band together, which gives more employment to the sound and lighting engineers, and create an industry themselves. I think we are trying to drive them out of business.

They are like the publicans, who we are definitely trying to drive out of business, the small shop owners, the taxi drivers and the man in the van, whether he be a service man, a food delivery service or pizza delivery person or whatever. They are self-employed, which is what we want, because we cannot all get jobs off the State or other people. We want creators of jobs and of businesses but these businesses are being duntrodden.

Of course, the over-66s are cast totally to the wasteland. I do not know what is wrong with the Government parties that he cannot see this. They do not get it or understand it. Do none of them ever come to this or any other venue for a gig? Do any Ministers ever go to the dance

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hall to have a dance, or to the Comhaltas seisiúin, or, indeed, the Fleadh Cheoil, or the ordinary concerts or the ordinary busking in the pub or in the street? They will be wiped out. Does the Minister want a cold, stony-faced culture? We will be good Europeans all right but our own Irish heritage, our dúchas, our faith will be wiped out. The Government seems to be trying to wipe out any spirit of Irishness or any spirit of a people, race or history.

**Acting Chairman (Deputy Alan Farrell):** I remind the Deputy that this is a debate about the section 1.

**Deputy Mattie McGrath:** Yes we are, and it is all part of the section about our entertainers. They are being abandoned, cast away, left behind and stood on and got rid of. It is a shame on the Ministers and his Cabinet colleagues. Stimulus package, my backside. The Minister cannot be so discriminatory against people like this. If they went to the courts, they would win a challenge but they cannot afford to go. Their mental health and their houses are under threat, as are their families, their transport, everything - their very being. Artists are the same way. There is a wonderful artist in my own town. They give of themselves so willingly for charities all the time. All supports, no matter what it is, they give under the arches in Clonmel for Cuan Saor women's refuge and it is the same in every town and village in the country. The Minister and his Cabinet colleagues are heartless people without an ounce of goodwill.

**Deputy Ged Nash:** I welcome the opportunity to contribute on this issue. In defence of the Minister, I know that at least he has good taste in music because I tend to find him at gigs I go to myself. He has a deep knowledge and interest in the arts and Irish culture and that is to be welcomed.

He does not need to be convinced that support is required for the culture and arts sector in Ireland but it is the nature of that support that we need to discuss. I did not need to be persuaded by the emails we have all received in recent days about the difficult position artists and those in the creative industries more generally find themselves in. I knew that because of my own involvement in the arts. I know the great difficulty people are experiencing now.

There is a strong argument, and I have said it from the get-go, to maintain the top PUP rate of €350 per week to all of those who are working in the creative industries, including artists, technicians and people working in venues until those venues and the sector itself is more substantially reopened. We know that will be among the last of the sectors to reopen more substantially and we need to prepare for that. I have a significant fear that we are at risk of losing an entire generation of artists and entertainers in this country. Only a small number of people at the top of the sector make what we might describe as a decent income. Most people working in the arts and culture sector supplement their income by working in hospitality, retail, care and so on. By coincidence, hospitality and some areas of retail happen to be areas that have been absolutely decimated by the economic fallout from the pandemic. Therefore, those working in the arts and creative industries more generally have had a double whammy.

I appeal to the Minister, given his understanding of and interest in the arts, to consider what kind of package could be put together to rescue those who work in the industry. We have all heard the testimony, not just from the emails we have all received, but from friends, family and people we admire and respect about the great difficulty they are in at the moment.

I looked in detail at a scheme that was developed in Denmark to help to support venues. If we do not have the venues, performers will have nowhere to perform when we get through this,

as we will. I ask the Minister to take a close look at that to ensure that our physical arts infrastructure is still in place when we get out on the right side of this pandemic. We need to have a generation of artists that are supported by the country. We cannot just offer them tea and sympathy, nor should we just display tokenism towards them. I would never accuse the Minister of that but I ask him to seriously look at putting together a package to support those who work in the industry and the venues involved in the industry until the sector reopens more substantially.

**Acting Chairman (Deputy Alan Farrell):** Two more Deputies are offering. I remind Deputies that we are discussing section 1 and we have many amendments to be debated. I do not want any of them to feel the need to repeat themselves.

**Deputy Jennifer Murnane O'Connor:** I also want to speak about musicians and artists. Ireland is known for its music and song, which are part of our tradition. We are very proud of that tradition when we go to America or elsewhere abroad. I am very concerned that we do not have any supports in that area. We need to address this and give support to people who have worked and paid taxes all their lives. Through no fault of their own, Covid-19 has just put a stop to everything. They are not to be blamed for that. This is a time when we need to show our support to musicians and tour guides.

I received an email from a taxi driver today. He said he has been forced back to work without the customer base to make a decent living and cover his outgoings. There are no grants or other assistance from the Government. These people have worked and paid their taxes all their lives and are now looking for support from us. The least we can do is give them the help they need just until they all get back on their feet. I also ask we give grants and other supports to these industries that need them because they really need them.

**Deputy Pearse Doherty:** Ba mhaith liom cur leis an mhéid atá ráite ó thaobh na healaíontóirí agus iad siúd atá ag obair i dtionscal an cheoil. We have previously raised the issue of supports for the arts and Deputy McDonald raised it earlier today. Deputy Ó Snodaigh has met representatives of the various groups. There is a serious issue that has been well articulated. It is probably best captured in the survey of members of the industry. It is stark that two thirds of them are talking about issues with mental health. Most concerning is that 3% have considered self-harm. That probably captures very quickly the real pain and suffering that many people in that sector are experiencing because of the lack of supports and particularly because of decisions taken that have resulted in income from the State that they had relied on being cut.

There is enormous uncertainty. There was always a mantra from Government that people would be supported as long as society remains closed. For our artists who breathe cultural life into our nation, their means to make ends meet and make a living is still closed as a result of social distancing. In some cases, people offered a gig at a wedding are concerned about taking it because it might result in losing their payment meaning they have no support whatsoever regardless of how little support is there. These individuals need a support package.

We know the circumstances that led to this. We know that the State and Government did the right thing in closing down the economy to protect people's lives. However, with that comes a responsibility, which is why in amendment No. 11, I have tried to address some of this by allowing the Minister to have a more targeted approach for different categories of workers. It may not be perfect, but it addresses the idea that not everyone is the same and some groups of workers will be hit harder and longer as a result of the pandemic and the restrictions we have.

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We will not resolve this tonight but it would be worthwhile for the Minister to meet a group of Deputies or creating a way in which we, as a Legislature, can support them. It would be a powerful signal to send out. These are the people we turn to for inspiration. They are the people, whether poets or musicians, the former Taoiseach often quotes in his speeches. They are the people who give us inspiration and sometimes lift our hearts in dark days, and we all need that.

They are also the people who have travelled throughout this country and further afield to make ends meet. Some of them have done that for decades. They have never relied, nor had to rely, on State support. I have spoken to some of them who are household names. They have never relied on State support because their talent was able to get them through. In some cases, that forced them to travel abroad to earn their crust, but they did that without complaint. This is the time to stand up and support them and to find a way in which we can lift from them the burden that is so clearly captured in the survey of those 1,000 members.

**Deputy Michael McNamara:** I endorse what has been said by previous speakers about the arts and artists. I might slightly disagree with Deputy Mattie McGrath. I do not know that we would be good Europeans by shooting everything down. We have adopted a far more restrictive approach than the rest of the European Union. One only has to look at the European Commission site, *reopen.europa.eu*, to see that very clearly. Which approach is ultimately the better will be determined in time, but after a considerable length of time.

I make a point about the definition of employers. This employment wage-subsidy scheme, as it is to become, is confined to those in employment and excludes the self-employed. Obviously, the great majority of artists and people in the entertainment business are self-employed. The self-employed sector goes far beyond that. There is a long-standing debate in this House - albeit in a different setting - on the appropriate social welfare payments and social welfare net to make available to the self-employed. Of course, this is not a social welfare payment and we are not discussing a social welfare Bill. This is simply a financial measure to stop people becoming unemployed and to stop viable businesses going to the wall until we can get businesses up and running.

In that line, I urge the Minister to consider including self-employed people to ensure they do not end up leaving their business. I am not talking about somebody who is suddenly claiming to be self-employed if they were not previously. It is very clear from Revenue records whether somebody was self-employed in 2019. If they get money along the way and they ultimately end up having more than 70% of last year's income, it is all the better. There is absolutely no loss to the State and the money is returned in the same way it is in respect of an employee. I urge the Minister to consider self-employed people.

**Deputy Danny Healy-Rae:** I too appeal to the Minister and support the calls to help the people who have been the bearers of our culture and whom we will need if we are to hand that culture on to the next generation. I refer to groups such as Siamsa Tíre in Tralee and people like Nicky and Anne McAuliffe, who have taught so many young musicians in Kerry. We cannot afford to lose these kinds of people. We need to see after them. There are also people like Mike Cronin and Mike Doyle who went around the whole Ring of Kerry playing music for a group of cyclists, including Derry Healy and others, which was raising funds for Gene Tangney who spent nine or ten weeks on a life support machine in Tralee hospital with coronavirus. I am talking about people who do great work like that.

I will also mention Neily O'Connor, to whose music one would dance on the table. He plays sets all over Kerry. He is at a standstill. Like everyone else, he needs to put food on the table. So do Derry and Rosie Healy who play and teach music to youngsters.

There is also the matter of event centres such as the INEC, Scott's Hotel in Killarney, the Fáilte Hotel and the Dunloe Hotel. There is no music coming out of their doors now which means there is no work for our artists, including those who play the accordion, fiddle, concert flute and guitar. We need to support them in their hour of need. When people's heads are down and they have a lot of troubles and worries, these are the people who take their minds off the troubles of the day. They come out of these places feeling better and looking forward to the future. They may go in down and out but they come out changed people after a session of listening to these kinds of people.

Our tradition and our culture are very important. We must know where we came from and that the people who come after us will carry on the traditions we give them, including storytelling and other things. We need to maintain those traditions and our identity. It is very important to maintain our identity and our sense of who we were, who we are and who we will be in the future. I ask the Minister to do something for these people. They were hardly mentioned until a few days ago. We need to give them some recognition. The recognition I am talking about is a financial package.

This is needed by people such as the members of Truly Diverse, a band that plays at weddings. They are at a total standstill. They have young children and must put food on the table like everyone else. We need to look after those people. I have left out a lot of people but the Minister will have got the thrust of what I am saying. I appeal to him to do his best for these people.

**Deputy Paschal Donohoe:** With regard to Deputy Boyd Barrett's intervention, I was very willing to respond to the points raised on Second Stage. I was here for all of the Second Stage debate, as I should be when legislation of this importance is discussed. I listened to every Deputy and took note of what they said. I would have been in a position to respond. I want to put on the record of the House that I did not respond to the Second Stage debate because I was not permitted to rather than because I did not want to.

Before I address some of the issues which have been raised with regard to the opening section of this Bill, I would like to make a statement to the House. I would be obliged if, in accordance with Standing Order 196, the Chair would direct the Clerk to make the following versional corrections to the text of the Bill: on page 4, line 11, replace the word "parents" in "parents benefit" with "parent's", that is to say, to include an apostrophe between "parent" and "s"; on page 4, line 16, the words in Irish should not be italicised; on page 9, line 32, insert the word "as" before the term "the first-mentioned employee" so that the sentence reads "referred to as the 'the first-mentioned employee'"; on page 11, line 30, insert the word "the" before "Revenue Commissioners"; and on page 14, line 2, replace the term "made been" with "been made".

**An Leas-Cheann Comhairle:** Does anyone have any objection? No. Those changes can be made.

**Deputy Paschal Donohoe:** In responding to the issues raised in respect of this section, it is important to put these matters in context during this debate. Many issues have been raised

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with regard to the temporary wage subsidy scheme and the role of the pandemic unemployment payment. As we begin this debate about the temporary wage subsidy scheme, we should anchor any discussion about the perceived limitations of the scheme in the fact that, as of today, 410,000 of our citizens are benefiting from it. They depend on the scheme for either their income or their job.

I have heard much commentary from a number of Deputies this afternoon regarding my intentions or the intentions of the previous Government and I will deal with these remarks as I work through. I see that my colleague, Deputy Ring, who was a member of that Government, has joined us for this debate. I will not accept any attempt from any Deputy, including Deputy Mattie McGrath or Deputy Boyd Barrett, in whose contribution I was disappointed, to suggest that our intentions in respect of this scheme were anything less than what they were. Our intentions were to save jobs and incomes on a weekend when hundreds of thousands of our citizens were facing great economic strain.

Hundreds of thousands of our citizens did not know if they were going to have a job and, that being the case, how they would access a social welfare payment. As the Government, we had to put together a scheme at speed and on a great scale to deal with an issue that was without precedent. I remember the Cabinet meetings that led to this scheme being agreed. I remember the days that led up to it and the feverish work that went on over days and nights to put the scheme together. I also remember the impact the scheme had on people's lives. I see that each day in my engagement with constituents and in the letters, phone calls and notes I get. I see what it has done and the effect it has had. Few of the economic interventions various Governments have made were put together with this speed, had the impact this has had, or played a role in saving jobs and incomes at a time when our country and people needed guidance and a safety net.

I listened to Deputy Harkin's contribution on Second Stage. It was a very nuanced contribution about the merits of this Bill, which she was good enough to acknowledge, and the demerits she genuinely sees in areas on which she disagrees with me. She used the image of throwing an anchor. When the previous Government was looking to throw an anchor into the seas we found ourselves in at that time, the conditions were stormy, nobody had a compass and the horizons were unclear.

We did all that could be done in putting this scheme together. I feel the need to put this on the record of the House because of some of the contributions I heard this afternoon and the comments that were made about my intentions in this finance Bill, which I will deal with individually. I will give no quarter with regard to some of the accusations that have been this afternoon. I will be dealing with issues regarding the operation of the Bill, some of which are important and genuine and may require action and further thought in the coming weeks and months in the run-up to the next finance Bill.

In saying that, I will go back to where I began. In fairness to Deputy Pearse Doherty, he acknowledged, as I have done, that this plan has worked. The wage subsidy scheme has worked. The work we did to amend the scheme, with the support of some but not all Deputies, and to taper incomes has worked. The way we have run our affairs up to this point, now supported by action from the European Union and European Central Bank, has got us to the point that we are borrowing €30 billion on behalf of Irish citizens in a year in which we will probably collect between €49 billion and €51 billion. We will borrow this money at interest rates which would have been unimaginable a decade ago. That is the backdrop, the big picture, in terms of the is-

sues that have been raised here with me.

I will deal with each of the points that were raised. I do not know if it is because the day is long or this has been a demanding term for Deputy Boyd Barrett, as it has been for others, but I take issue with him coming in here and accusing me of looking to betray workers in this country. To do so after the work this Government and the previous one have done to try to get people back to work and, at a time of such strain, to bring in a scheme such as the wage subsidy scheme is beneath the normal kind of argument he makes and ill serves the points he makes. I take issue with the Deputy standing here and accusing me, as he did, of looking to betray anybody and I assure him that I have every bit as clear an understanding as he does of the reality facing citizens because of Covid. That accusation does not serve the argument he makes and does not reflect well on the beliefs he genuinely holds.

I will address substantively the issues he raised. This is the very reason the Minister, Deputy Catherine Martin, only a week ago indicated that funding for the Arts Council will exceed €100 million. It is the reason she launched a fund to look at how we can share the risk of new concerts and artistic activity, which is not happening for the reasons Deputy Boyd Barrett just outlined. It is the reason the same Minister in recent days launched a number of plans, none of which the Deputy acknowledged although I am sure he knows about them given his concern for this issue, that are focused precisely on trying to deal with the very issues he raised. That is why money was made available for them in the July jobs plan of last week. It is also why, in the plan launched by the Government the Minister, Deputy Catherine Martin, put together additional funding purely focused on the sector the Deputy highlighted.

In regard to the point Deputy Boyd Barrett made about taxi drivers, I can see the strain many taxi drivers are under at the moment. When I meet taxi drivers in my constituency of Dublin Central I see the difficulty they face in getting back to work. Driving a taxi is a demanding job at the best of times and one on which those of us who live in the cities depend to facilitate our social, personal and work life. I see the strain taxi drivers face. That is the reason the pandemic unemployment payment was brought in for those citizens and for others. Despite the way the Deputy articulated the argument, I take the point he raises seriously. What I will do on foot of this debate is engage with the Minister, Deputy Eamon Ryan, and the National Transport Authority to see what can be done to deal with some of the issues the Deputy raised. I will be happy to revert to him when I have done that.

As for Deputy Mattie McGrath, his contribution was nasty, divisive and small-minded. No cause would be well served by him raising it in the way he did in this case. Deputy Nash's contribution was at least broad and nuanced enough to reflect on the issues. While he differs with me on the kinds of measures I have introduced, he is able to also acknowledge what has been done in the July jobs plan and the effect it has had. I will give no quarter to the kind of language and tone that is used in this House by Deputy Mattie McGrath. I will give no quarter to tolerating the meanness of the arguments he puts forward which demean the serious issues he raises-----

**Deputy Mattie McGrath:** Excuse me, a Leas-Cheann Comhairle, I wish to raise a point of order.

**Deputy Paschal Donohoe:** -----on behalf of his constituents.

**Deputy Mattie McGrath:** I am being attacked. The Minister called me mean and nasty.

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**Deputy Paschal Donohoe:** I will keep going.

**An Leas-Cheann Comhairle:** Deputy Mattie McGrath should allow the Minister to speak. I gather he did not interrupt the Deputy.

**Deputy Mattie McGrath:** He called me nasty and mean.

**An Leas-Cheann Comhairle:** No, he referred to what the Deputy said. The Deputy should allow the Minister to finish.

**Deputy Paschal Donohoe:** Thank you very much, a Leas-Cheann Comhairle. Yes, I referred to what Deputy Mattie McGrath said. If he is going to engage in the kind of debate he attempted to engage in earlier, he needs to be prepared for those who are willing to respond, and I am willing to do so. The issues the Deputy attempted to raise about artists and those who give such soul to our country are also the very reason the Minister, Deputy Catherine Martin, put in place such an imaginative and broad package to try to support the sector which the Government acknowledges and the Minister knows needs further support as it looks to move into a period of rebirth after such a difficult time. That was done in the plans and package of last week. It builds on the work that was done by the previous Minister, now Minister of State, Deputy Madigan. We will continue with this work through the Arts Council as we seek to respond to and support a sector that is so important for our country.

Deputy Nash made other points about the need to support the arts and culture sector, to which I listened carefully. We hope the plans from last week will have an impact, but as will be the case with much during this crisis, we face a challenge. Deputy McNamara clearly summed up the challenge the Government and all Deputies have at the moment. He made a factually correct reference to the fact that different countries are pursuing slightly different approaches, as is the wont and right of national governments. He then said that, as we respond to the great challenge and effect of this terrible disease on this country and economy, we will only know what has worked with time. Unfortunately, as he stated, the challenge is that we will probably only know if it has worked with the passage of a fair amount of time. During that elapse of time, that passage of days, weeks, months or periods even longer than that, all I can commit to doing is trying and trying again with the resources available to me and with the resources we can raise on behalf of our country to deal with this uncertainty and to deal with this level of need. If something does not work and if there is an issue that needs to be addressed with a measure we have introduced and if I think it needs to be changed and I can change it and do something better, then that is what I will do. That is not evidence of failure; it is proof of determination. That is what employers and companies across the length and breadth of our country are doing at the moment.

I refer to the issue raised by Deputy McNamara. Again, he acknowledged some of the issues he was looking to raise would normally be dealt with outside of a finance Bill through social welfare legislation or Estimates brought forward by other Ministers. In deference to the important points he raised, we have many other grants and supports that are not included in the finance Bill but that are about how we respond to the very sort of issues he raised on behalf of the self-employed. He is correct that while we are understandably having a debate about artists today, they make up only a portion of the self-employed, albeit an important one. This is the reason we have put such focus into changes like the restart grant. It is why, in respect of the losses provision to which the Deputy referred earlier, we have brought in an equivalent provision to the corporate tax provision for those who are self-employed in recognition of the point

the Deputy has raised. It is also why we have, through institutes like Microfinance Ireland, put such effort into how we can make credit available to the very kinds of businesses he raised.

Deputy Murnane O'Connor raised the issue of taxi drivers. I echo my understanding of the issues the Deputy raised. On foot of the contributions made by her and by other Members this afternoon I will engage with National Transport Authority on this issue.

I thank Deputy Danny Healy-Rae for points he made. His contribution covered many artists, musicians and performers that mean a lot within his own county and constituency. I think it was the Deputy who raised the concern about whether we are losing our identity. In response, I would say that the work we have all done in trying to support the arts sector over many years, but in particular the measures put in place last week, is surely a recognition of two things. First, it is a recognition of the hugely important role artists play in the soul and not just the economy of our country. Second, I want to recognise that as we work our way through this awful disease and the terrible consequences it has had for our economy and for hundreds of thousands of our citizens, we may need to do new things. We may need to do more. We may need to stop doing things we were doing recently and we may need to come up with something better. That is the spirit in which I will approach the issues the Deputy was raising. I reiterate that the Minister for Culture, Heritage and the Gaeltacht, Deputy Catherine Martin, put in place a huge number of measures last week. I am sure I will be corrected on this but I believe this included taking the Arts Council's budget beyond €100 million, precisely in recognition of the different issues that have been raised.

**An Leas-Cheann Comhairle:** I think Deputy Doherty is first and Deputy Boyd Barrett is second, just based on the hands going up. It is difficult. This is the third time they have gone up.

**Deputy Richard Boyd Barrett:** Deputy Doherty is giving way.

First, I hope the Minister knows that I do not do personal and my comments were not in any way personalised.

I know the Minister has good taste in music and that he understands the plight of musicians. The reason I used the word "betray", however, is because there are a number of groups who really bought in, as did the vast majority of society, to the notion of "We are all in it together". In doing that, they protected our society from Covid-19 overrunning our health services and saved lives. The stakes were high and everybody, and I include the Government and the Opposition in that, bought into that "We are all in it together" principle. To some extent, differences were set aside and the hardship and mental stress of the lockdown was accepted along with the income loss suffered by many, because people really felt that we were all in this together.

What is happening now is that particular groups who made as much effort as anybody else are being left behind. That is what I meant by being betrayed. They are being forgotten about. If I sound a bit desperate to the Minister, it is because I and others have been raising those particular groups for weeks, it is now two days before the Dáil goes into recess and they do not know what they are going to do. Some people have certainty about what they are going to do over the summer. They know what their income is going to be and what the roadmap for the months ahead is going to be. They have some degree of certainty, although none of us have total certainty because in many ways, the virus is controlling our future at the moment. Nevertheless there is some form of roadmap. The Government, however, has not responded to

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people from these sectors despite them asking the Government again and again. This included making their case to the Special Committee on the Covid-19 Response, before which I fought to have them appear. I know the Minister understands but in his reply, he did not respond to the specific requests they have made. In my speech, I said that the wage subsidy scheme was a good one insofar as it sought to maintain the relationship between employer and employee. As such, the Minister was wrong to say I did not acknowledge this. I said it and I accept it. What I do not accept is why the Minister will not use this Bill to extend the income subsidy scheme or something similar to these particular groups of people, who cannot return to work through no fault of their own and whose employment and income has been decimated as a result of the Government-imposed public health measures, which they support for the most part. That is the question.

I was speaking to Mary Coughlan on the phone before the debate and she said something which sums up the dilemma for people in these sectors. I would really like the Minister to address the specifics here because I am talking about substance and not politics here. As I told the Minister, Mary Coughlan was earning €20,000 before Covid, which is a very modest income. She was then on the €350 per week payment because all 35 of her gigs were gone. She has now been cut down to the €203 per week rate. She has recently been offered a few gigs in reduced venues including, for example, the Mermaid Arts Centre in Bray. There will only be room for 70 people in a room that used to take 300. Does the Minister know what the dilemma is for her? It is that if she takes that gig, which will not nearly recover her income, she will lose her payment. Is she actively seeking work if she refuses the gig? That is the question that needs to be answered. If she says no to it, the Minister could, under the current situation, accuse her of not actively seeking work. If she takes the gig she loses her payment. I say to the Minister this is not right. It is the same for the taxi driver, who should perhaps be cocooning and who is afraid to go out and work. Such drivers have now had their payment cut, however.

*7 o'clock*

They are going out working in the taxis. There are no proper guidelines from the NTA on safety in taxis. After weeks of pleading, they are still excluded from all of the grants.

Progress reported; Committee to sit again.

### **Appointment of Ordinary Members to the Houses of the Oireachtas Commission: Motion**

**Minister of State at the Department of the Taoiseach (Deputy Jack Chambers):** I move:

That Dáil Éireann, in accordance with section 8(3)(a) of the Houses of the Oireachtas Commission Acts 2003 to 2018, appoints the ordinary members of the Commission as follows:

Deputies James Browne, Joe Carey, Louise O'Reilly and Duncan Smith.

Question put and agreed to.

**Financial Provisions (Covid-19) (No. 2) Bill 2020: Committee Stage (Resumed) and Remaining Stages**

SECTION 1

Question again proposed: “That section 1 stand part of the Bill.”

**Deputy Richard Boyd Barrett:** I do not want to drag this out but what I would like, although it is not about what I would like because I am not in this position and none of us in this room is, but those 23,000 taxi drivers and their families, and at least 30,000 or 40,000 musicians, crew, theatre practitioners, artists and performers of various kinds want an answer before the summer recess. Mary Coughlan wants an answer as to whether she should take the gig in the Mermaid Arts Centre. Will the Minister answer the question? We have been looking for answers on this for weeks. It is not as if it is new. He needs to give them the answers. Why are they not included in the groups of people who can benefit from the income subsidy under the definitions in this section? I am talking to the section. I sought to table an amendment to this section to include this group and it was ruled out of order, again for reasons I do not understand. They should be included.

At this stage, because the Bill will be guillotined and rammed through to make sure everyone can go off on their holidays next week, it seems we cannot do anything about it. Will the Minister at least say we will do something and we will give them a basic minimum income, above and beyond which they can earn without losing it, in the same way as he is now doing for thousands of employers throughout the country? They will get the subsidy, they will be allowed to earn and at a certain point, it will be tapered. Nobody is asking for a handout. They are just asking for a floor below which they will not fall. In the case of some people, they are asking that they will not be whipped into working in unsafe conditions where it might be a threat to their health and public health. These are reasonable asks. They are asking for some of the grant schemes to be made available. They do not qualify for the schemes, even though they have the overheads, because they are not rateable and registered for VAT. Will the Minister please respond to these specific issues? I would not sound so desperate, and my desperation is nothing compared to the desperation these people feel. This is the request.

Many of these people did not ask to be in this position. An awful lot of people who work in the arts would love to be directly employed, as a very small number are in the Abbey Theatre but there are only so many jobs in the Abbey Theatre. Perhaps if we had a proper national film industry, as we used to before we privatised all of the studios, some of these people would have jobs and they would be on the wage subsidy scheme. Some of them have been forced into being self-reliant and then they are punished for this fact. Genuinely, I am not trying to be personal but on behalf of these people, who are desperate, who are worried and who are suffering real mental anguish, will the Minister please give them some hope that he will respond to them before the Dáil finishes for the summer?

**An Leas-Cheann Comhairle:** This debate is open until 9 p.m. and many amendments have been tabled. It is open to Deputies to speak for as long as they want and people are indicating but I gently remind them that we are still on section 1.

**Deputy Pearse Doherty:** I agree with everything Deputy Boyd Barrett said. Because we will not deal with it when discussing the Bill this evening, I put forward an idea that we should convene tomorrow in some type of forum or representative group that could discuss this issue.

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It is a burning question that needs to be resolved. I believe we can resolve it if there is willingness. My concern is, and I am by far the person not to restrict a debate, but there are very important amendments, such as on reducing VAT rates for the tourism sector, that will not be voted on or debated if we continue at this pace.

**Deputy Richard Boyd Barrett:** Hear, hear.

**Deputy Pearse Doherty:** I will not say any more and I will point this at everybody because we are one third of the way through the time already.

**An Leas-Cheann Comhairle:** I thank the Deputy. I have just pointed this out. They are the rules and I am encouraging the Deputies that if they want to reach the amendments and have as many speakers as possible to be brief and to the point. I call Deputy McGrath and I ask him to be brief and to the point.

**Deputy Mattie McGrath:** I will do my best. Whether it is the fact that I am from Tipperary, where the first shots in the War of Independence were fired, whether it is the fact I listen to Rebel Hearts, Rattle the Boards, Des Dillon or Dom O'Driscoll and wonderful ballads and songs-----

**An Leas-Cheann Comhairle:** We are dealing with section 1.

**Deputy Mattie McGrath:** Yes, and I am replying to the Minister. How dare he say I am mean and nasty. How dare he. I am representing the people. A survey of 4,100 members of the MEAI discovered that 11.6% could not pay their utility bills, 9.7% had to sell essential equipment, 7% have lost or are in danger of losing their vehicles, which they have to manage because the same vehicle might be used for the family to go to the beach, go to school or pick up the children, and 3.4% are in danger of losing their homes. Is that mean and nasty because it does not sit well with the Minister? A total of 17.4% are dealing with mental health worries as a result of financial stress. Is that mean and nasty? A total of 2.4% have considered attempting self harm. It is shocking.

I am not being personal with the Minister. I am being direct with the Government. There is much about this situation I do not like. We also have the taxis, which Deputy Boyd Barrett mentioned. We also have the man in the van and whether they are in vans, lorries or trucks, there are self-employed people out there who cannot get a penny. We also have those aged over 66. I represent them here and I will keep representing them. They have received nothing after all they have done for the country. They are still rearing their families and grandchildren. Many are working in the pubs that have been misled, blackguarded and denied. Anyone aged over 66 has been denied a shilling. They were put out of business by the Government but I am being mean and nasty because I have the audacity to represent them.

The Taoiseach asked me last week what planet I was on. I am on planet Tipperary and planet earth, thank God, and I plan to look after these people. That is all I am doing. I second Deputy Doherty's suggestion that we should have a forum tomorrow or the next day, although the Dáil will not sit that day. If we have to sit Friday or Monday we cannot go for a six-week break and leave these people given 2.4% of them have attempted self-harm. Are we going to allow them to be crushed? They have families. They have wives, families and children. They are trying to cling onto what they do best, which is to give solace through what they do. They are givers and they naturally give enjoyment, solace and support to us in difficult times, as other Deputies have said. I am not being nasty or mean and I do not accept that from the Minister.

**Deputy Danny Healy-Rae:** I have already spoken privately to the Minister regarding problems with the payment. Some people who were not working between 6 and 13 March do not receive the payment and I do not believe they will. They are seasonal workers. If the lockdown had not happened for a few more weeks, they would have been covered. Bus drivers at a standstill in January and February are not being helped by the wage subsidy scheme because they were not working then.

There is another part to this. People had to be working in January and February to qualify for the scheme so employers are not employing people who were not employed in January or February. There are also people who were working part time in January and February, who will only be covered for the same number of hours by the employers if they are back at work. In many cases, they would be better off on the payment because they are only allowed to work fewer hours but they are not on the payment because they were not working between 6 and 13 of March and they were not working in January and February. I want the Minister to understand this. Bus drivers and hotel workers are all affected by this. Some hotel workers are back, but none of the bus drivers is back. Their stamps have run out or are running out and they will have nothing for the winter. Perhaps the Minister does not understand, but if one was not working from 6 March to 13 March one was not entitled to the coronavirus payment and if one was not working in the months of January and February one is not entitled to the wage subsidy. That is very unfair, so perhaps the Minister will respond.

**An Leas-Cheann Comhairle:** Once again I remind Members that section 1 simply deals with definitions in the Bill. I ask them for their co-operation, and I am not looking at any particular Member. Members have made a big effort to table amendments and there are many amendments to be discussed. Some have been ruled out of order and others have not, so we must move on with the Members' co-operation.

**Deputy Paschal Donohoe:** I will deal with the issues raised by the Deputies. On Deputy Boyd Barrett's point about the need for a roadmap and the need for artists, especially performing artists, to be clear regarding what their future prospects can be, insofar as that guidance can be given to many at present given the current uncertain times, I will follow up with the Arts Council and the Minister, Deputy Catherine Martin, on this matter.

If Deputy Boyd Barrett was going to raise such a specific issue relating to an individual and a concert, some notice that he was going to do so would have been helpful. I might have been in a position to give the Deputy the answer, or the answer that great artist wants. In the absence of him doing so, I am not in position to answer the question, but I will raise it with the Minister, Deputy Catherine Martin, because the Deputy raises a very serious point. Perhaps it is the case, and I hope it is, that because the significant additional funding was agreed in the Cabinet only last week, the Arts Council and interests in that sector have just not had enough time to give the clarity which Deputy Boyd Barrett is seeking. The significant additional funding was announced only recently.

On his point about taxi drivers, I repeat what I said about my willingness to approach the National Transport Authority.

We will debate the issues Deputy Doherty raised when I hope we get to his amendment.

Again, Deputy Mattie McGrath referred to misleading people and blackguarding vintners and pub owners.

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**Deputy Mattie McGrath:** That is what the Government did.

**Deputy Paschal Donohoe:** At that particular point, the Government was trying to revise the public health guidance that was available to the country. We were trying to prioritise the public health of our country. Again, the suggestion that the Government had in mind anything but the well-being and health of the constituents Deputy Mattie McGrath mentions belittles the seriousness of this issue. I absolutely understand that there are citizens who are deeply worried about their health and are feeling the consequences on their mental health of the terrible period the country has gone through. They are worried about their financial well-being and their homes. I understand that as well as Deputy Mattie McGrath does. However, that is the reason so much has been done to try to support them at a time of need. I will not go through the full list of measures that were introduced out of deference to the point you made, a Leas-Cheann Comhairle, about trying to get through the Bill in full.

On the points made by Deputy Danny Healy-Rae, I understand the issue he raised about seasonal workers. The Deputy raised it with me previously and I appreciate its importance. Notwithstanding the important point raised by Deputy McNamara, which I hope we will get to debate later, we have introduced a fundamental change in the wage subsidy scheme to deal with seasonal workers. As the Deputy correctly said, in the current scheme one has to have been working on a particular day in February and the issue he raised is a consequence of that. We have changed the wage subsidy scheme to deal with that matter. It is now a more open and broad scheme. Of course, it has issues and limitations which we will discuss, but we made that change in recognition of the issue the Deputy raised.

Question put and agreed to.

## SECTION 2

**An Leas-Cheann Comhairle:** Amendments Nos. 1 to 4, inclusive, have been ruled out of order because of a potential charge on the revenue.

Amendments Nos. 1 to 4, inclusive, not moved.

**Deputy Michael McNamara:** I move amendment No. 5:

In page 7, to delete lines 25 to 33 and substitute the following:

“(I) there will occur in the period from 1 January 2020 to 31 December 2020 (in this subsection referred to as ‘the specified period’) such a percentage reduction as the Minister may specify in an order made by him or her under subsection (21)(b), in either the turnover of the employer’s business or in the customer orders being received by the employer by reference to the period from 1 January 2019 to 31 December 2019 (in this subsection referred to as ‘the corresponding period’), as would result in the same cost to the Exchequer as if the employment wage subsidy scheme were to be available to employers who sustained at least a 30 per cent reduction in either the turnover of the employer’s business or in the customer orders being received by the employer from 1 July 2020 to 31 December 2020 by reference to the period from 1 July 2019 to 31 December 2019, when that said cost is taken together with the cost of determining the said percentage and any additional administrative cost occasioned in determining the percentage, such that there shall be no additional cost to the Exchequer over and above that proposed in the *Financial Provisions (Covid-19) (No. 2) Act 2020*,”.

The amendment is rather convoluted and I apologise for that. The reason it is so convoluted is that we sought to submit an amendment that would not be ruled out of order. There are constitutional constraints on what Opposition or backbench Deputies can propose. We all must accept constitutional constraints on what we can do as individuals and on what institutions can do, but I believe debate in this House is more circumscribed than the constitutional constraints require. I hope that will be addressed in due course, but I do not propose to do so now.

I greatly welcome the fact that one no longer has to have been in employment at the end of February to benefit from the employment wage subsidy scheme. That is an advance. Many seasonal workers could not avail of the pandemic unemployment payment because they were not in employment at the end of February, and their employers could not avail of the temporary wage subsidy scheme if they subsequently employed them. This particularly affects the hospitality industry on the west coast of Ireland, and I presume it is the same on the south and much of the east coasts outside of our cities where the hospitality industry works probably 12 months of the year. Employers were unable to avail of the temporary wage subsidy scheme if they employed somebody whom they had employed last year and in the preceding two years because the person was not employed at the end of February. Now, they can employ the person and that is good news. However, under the conditions set out in the Bill their business must be down more than 30% in the second half of the year. I take issue with that in respect of employers who could not avail of the temporary wage subsidy scheme.

There will be employers who were able to avail of the temporary wage subsidy scheme and can now avail of the employment wage subsidy scheme. I congratulate the Minister on all that, and I congratulate the Government on the very difficult steps it took in March. I accept that something had to be done, and it had to be done quickly. The good is the enemy of the perfect. Some employers who were able to avail of the wage subsidy scheme will now go on to avail of the employment wage subsidy scheme, but there will be other employers who could not avail of the temporary wage subsidy scheme and who are now solely reliant on the employment wage subsidy scheme, and their losses from 1 July onwards will be looked at in determining whether they can avail of that scheme. They could have lost their entire income in the first half of the year. That would not be unusual for seasonal hospitality businesses throughout Ireland. They were closed until the end of June, effectively. They lost the St. Patrick's Day weekend, Easter, including the Easter Monday bank holiday weekend, and the June bank holiday weekend, and how could I forget the May bank holiday weekend introduced by Ruairí Quinn? These people are therefore down substantially, yet if they earn more than 70% of what they earned last year, they will not be able to avail of the employment wage subsidy scheme. Notwithstanding the fact that they could not avail of the temporary wage subsidy scheme because their businesses were not open at the end of February, it seems unfair that now they will be judged only on their losses for the second half of the year, whereas employers who were in employment in hospitality industries which were open at the beginning of March were able to avail of the temporary wage subsidy scheme and can go on to avail of the employment wage subsidy scheme under exactly the same conditions. I raised, as did Deputy Danny Healy-Rae and many other Deputies, the unfairness of the predicament facing seasonal employers and seasonal workers at the time, and the Minister said, correctly, that the scheme was not perfect but that we had to do something and that this would be addressed in future. It is not being addressed. It is being addressed to the extent that people who were not in employment at the end of February can now be employed under the scheme but there is an unfairness in the treatment of employers in that only their losses in the second half of the year will be looked at. I ask the Minister to address this.

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I apologise again for the fact that the wording of the amendment is convoluted. If the Minister were minded to accept it, he could exclude from its ambit, or at least its broadened ambit, employers who availed of the temporary wage subsidy scheme in order that only employers who could not avail of the temporary wage subsidy scheme would have their loss over the entire year looked at in calculating whether they qualified for the employment wage subsidy scheme. I cannot put it any clearer. The amendment is not meant to denigrate the efforts the Government made but merely to point out that there is an anomaly, a fact the Minister has accepted in the past. While a minor part of the anomaly is being addressed, what is not being addressed are the losses faced by hospitality employers the length and breadth of the country and the fact that they could not avail of the temporary wage subsidy scheme until now, whereas lots of other similar hospitality businesses that just happened to be open at the end of February could avail of it.

**An Leas-Cheann Comhairle:** Before moving on to the next speaker, I will make a general point. The clock is running. Members can see how long is left in the debate. Eighteen amendments were tabled, and Members took trouble to table them. Five are in order. It would be fair if we could get to every single person who tabled an amendment so, with the House's co-operation, we will try to do that. Deputy Michael Healy-Rae is the only other person who indicated.

**Deputy Michael Healy-Rae:** While protecting the individual who contacted me, I wish to speak further to the debate and this amendment with a message I received. It states:

Minister Donohue assured the people that when the PUP was altered to a two tier system, that no one would be worse off after rerate than before the Pandemic. I however am. As you know, myself and [my husband] run a [public house].

Going back a few years, in 2016, this couple realised that an extra income was necessary in order to take pressure off their public house business. Therefore, between March 2016 and December 2018, this person worked at another business and then came back to their public house business in January 2019 and was there until the pubs were asked to close on Sunday, 15 March. The message continues:

We were relieved [and very grateful] when we heard that we would receive €350 each week each as apart from running a home, there were still unpaid bills relating to the [public house]. Not least of these was the monthly €460.00 insurance, which [is obviously a considerable sum of money and which payments] we have managed to keep up every month. No mean feat as you can imagine. I fully agree with the two tier system that has been put in place. It makes perfect sense. However. As a self employed recipient of the PUP, we were reassessed on the year ending December '18. The reason given for this is that some businesses would not have made their 2019 returns yet. So despite earning an average of over €315 per week last year and well over €250 in January/February (I took less for this period as business at this time of year is understandably quiet) of this year, I am now in receipt of €203.00 per week. I have appealed the decision and provided documentation but to no avail. It seems unjust that a PAYE employee has their 2019 and January/February 2020 wages assessed to ascertain which is the higher average wage but as a director of our [small] business who also pays PAYE/PRSI through payroll I am being penalised for taking on a job [in the other business] in 2018. Apparently, the only year that can be used to assess eligibility for the higher rate of PUP if you are self employed (although we are employees of the company) is 2018. I have explained that our returns for 2019 have been made. I sent copies of weekly payslips showing my wage for both 2019 and 2020 but it falls on deaf ears.

Surely this can't be right? That the rules are so rigid that they cause the very thing to happen that Minister Donohue assured us would not. I am worse off. Considerably.

This person asked me to raise this with the Minister. The reason I am doing so, with the Leas-Cheann Comhairle's permission, is that the case is indicative of an awful lot of other cases of people who have contacted me with the exact same type of anomaly. Neither the Minister nor his Department can foresee every eventuality that will arise, but I am only one small person, a public representative, and if I am getting a lot of calls about this anomaly, surely other colleagues in this Chamber are having the same types of concerns raised with them by constituents who have contacted them. It is a common-thread problem. I am very grateful to get the opportunity to raise it on the floor of the Dáil with the Minister for Finance. I ask him in his considered time to address this anomaly, if he can, for respectable people such as this woman. All she is guilty of doing is her best all the time, trying to run her public house and, as I said, subsidising her businesses by going off to work in another business to try to bring in an extra bit of income to keep the public house afloat. As I said earlier today to the Minister, people are only trying to keep their businesses going. I thank the Leas-Cheann Comhairle for allowing me the opportunity to raise this case.

**An Leas-Cheann Comhairle:** Again, I am not trying to curtail Members' contributions - I cannot - but I appeal to them to address themselves just to the amendment at this point and we will move as quickly as we can through the five amendments. We have left behind Second Stage, on which it was open to everybody to say anything.

**Deputy Danny Healy-Rae:** Would it not be more appropriate if the period assessed for employers to qualify for the wage subsidy scheme was the period of the lockdown, from whenever it was to whenever the hotels got back working again? Would it not be more appropriate to look at that period rather than the period from when they opened a couple of weeks ago for the rest of this year? What is happening does not make an awful lot of sense. Perhaps the Minister could look again at that.

**An Leas-Cheann Comhairle:** I thank the Deputy for his brevity. I ask the Minister to be brief too.

**Deputy Paschal Donohoe:** I compliment Deputy McNamara on the drafting of this amendment. It is a masterpiece of drafting and I am sure had to be read on many occasions by those souls who judge what is acceptable and not acceptable before they realised it was acceptable.

To speak to the substantial matter Deputy McNamara raises, the primary qualifying criterion for the employment wage subsidy scheme is that the employer must be able to demonstrate that the business is operating at no more than 70% in either the turnover of the employer's business or the customers' orders received by the employer by reference to the period from July to December 2020 compared with the same period a year ago. The Deputy's amendment would change this eligibility criterion to a 30% reduction in turnover for the entire year, which is far broader than has been provided for. The employment wage subsidy scheme is an economy-wide scheme that will focus primarily on business eligibility, delivering a flat rate subsidy to qualifying employers on the basis of the number of paid employees on the employer's payroll. This adoption from the temporary wage subsidy scheme will allow employers to rely on the continuation of support over a longer period of seven months while also ensuring that such a support is sustainable and affordable.

As many of the strictest public health restrictions on the economy have been eased, it is appropriate that the level of State subsidy also be moderated, while recognising that the economy is unlikely to return to normal for many for a while yet because of the continued need to observe some requirements such as social distancing. As a result, the employment wage subsidy scheme has broader application than its predecessor in, for example, its inclusion of employees who were not previously eligible, such as seasonal workers and newly hired personnel. It will be in place for longer than its predecessor and trade-offs are, therefore, necessary in relation to some criteria to ensure the scheme is sustainable in cost. All the conditions of the turnover test have been carefully calibrated in that regard and it is expected that this scheme, in its relaunch in a new form, will cost €2.25 billion. It is, therefore, a substantial scheme.

I will deal with the point that was raised by Deputies McNamara and Michael Healy-Rae. The challenge I have with the amendment and the substance behind it is threefold. First, if we were to make this change, it would have a major impact on the overall cost of the scheme. What Deputy McNamara is proposing would not just affect the sector about which he has raised an important concern. Rather, it would have an economy-wide effect. The knock-on effect of the proposal would be highly unpredictable in terms of its additional cost. One thing I am sure of, however, is that it would give rise to significant additional costs in a scheme that is already set to cost €2.2 billion in additional funding.

Second, I respectfully say to Deputy McNamara that there is an inconsistency at the heart of the case that is being put forward. Many of the businesses that have raised this issue, and that are being well served by the Deputy with this amendment, are indicating a dire business or economic outlook for the second half of the year, while also indicating that they expect the trading performance for the rest of the year to be better than the eligibility criteria for this scheme. The inconsistency is that cannot be both. My expectation, as we move through this scheme, is that many of the companies and employers Deputy McNamara refers to will, unfortunately, qualify for this scheme. I use the word “unfortunately” deliberately because these employers do not want to be on this scheme. They want to trade in normal conditions and employ people through their own revenue without needing or expecting a subsidy of this kind from the State. The reason many of them will ultimately qualify for the scheme is that I expect they will meet the eligibility criterion of recording a decline in turnover of 30% or more. If, as we work our way through the year, I find that the eligibility criteria we have set are undermining significantly the viability of many employers, I will examine the matter. What I am trying to do is what Deputy McNamara and other Deputies raised. It is my genuine view that a 70% turnover threshold is one that very many companies, unfortunately, will reach in the second half of this year.

Finally, the extension of this scheme is far beyond the period that many had called for. In order to extend the scheme to the end of the first quarter of next year, we have to look at ways we can ensure that, at a cost of over €2 billion, we are doing what we can to make it more sustainable. Many of the schemes with which this scheme was compared in other debates will come to an end before this scheme does.

**An Leas-Cheann Comhairle:** There are four more amendments. I do not want to deprive other Deputies of an opportunity to move their amendments so I ask for co-operation and reasonableness.

**Deputy Michael McNamara:** I will try to be reasonable by taking 50 seconds if that is okay.

I will address the apparent contradiction raised by the Minister. The difficulty is that some seasonal businesses will, due to staycations, do well in the second half of this year, and perhaps achieve 70% or more of their normal business. However, taken over the 12 months of the year, the position will still be dire. The issue is the failure to take into account the first six months during which they were unable to claim the temporary wage subsidy scheme and incurred considerable losses, whether or not they qualify for payment. They accept that because of staycations and people not holidaying abroad, they will do well and could have 75% of their normal business. That figure is bad but it is dire when combined with a complete loss of business in the first half of the year. That is the difficulty and the anomaly I hoped might be addressed. On that basis, I will press the amendment.

Amendment put:

<i>The Dáil divided: Tá, 19; Níl, 84; Staon, 39.</i>		
<i>Tá</i>	<i>Níl</i>	<i>Staon</i>
<i>Cairns, Holly.</i>	<i>Berry, Cathal.</i>	<i>Andrews, Chris.</i>
<i>Collins, Michael.</i>	<i>Brophy, Colm.</i>	<i>Boyd Barrett, Richard.</i>
<i>Harkin, Marian.</i>	<i>Browne, James.</i>	<i>Brady, John.</i>
<i>Healy-Rae, Danny.</i>	<i>Bruton, Richard.</i>	<i>Browne, Martin.</i>
<i>Healy-Rae, Michael.</i>	<i>Burke, Colm.</i>	<i>Buckley, Pat.</i>
<i>Howlin, Brendan.</i>	<i>Burke, Peter.</i>	<i>Carthy, Matt.</i>
<i>Kelly, Alan.</i>	<i>Butler, Mary.</i>	<i>Clarke, Sorca.</i>
<i>McGrath, Mattie.</i>	<i>Byrne, Thomas.</i>	<i>Conway-Walsh, Rose.</i>
<i>McNamara, Michael.</i>	<i>Cahill, Jackie.</i>	<i>Cronin, Réada.</i>
<i>Murphy, Catherine.</i>	<i>Calleary, Dara.</i>	<i>Crowe, Seán.</i>
<i>Nash, Ged.</i>	<i>Cannon, Ciarán.</i>	<i>Cullinane, David.</i>
<i>Naughten, Denis.</i>	<i>Carey, Joe.</i>	<i>Daly, Pa.</i>
<i>O'Callaghan, Cian.</i>	<i>Carroll MacNeill, Jennifer.</i>	<i>Doherty, Pearse.</i>
<i>O'Donoghue, Richard.</i>	<i>Chambers, Jack.</i>	<i>Donnelly, Paul.</i>
<i>Ó Ríordáin, Aodhán.</i>	<i>Collins, Niall.</i>	<i>Ellis, Dessie.</i>
<i>Sherlock, Sean.</i>	<i>Costello, Patrick.</i>	<i>Farrell, Mairéad.</i>
<i>Shortall, Róisín.</i>	<i>Coveney, Simon.</i>	<i>Gould, Thomas.</i>
<i>Smith, Duncan.</i>	<i>Cowen, Barry.</i>	<i>Guirke, Johnny.</i>
<i>Whitmore, Jennifer.</i>	<i>Creed, Michael.</i>	<i>Kenny, Martin.</i>
	<i>Crowe, Cathal.</i>	<i>Kerrane, Claire.</i>
	<i>Devlin, Cormac.</i>	<i>Mac Lochlainn, Pádraig.</i>
	<i>Dillon, Alan.</i>	<i>Mitchell, Denise.</i>
	<i>Donnelly, Stephen.</i>	<i>Munster, Imelda.</i>
	<i>Donohoe, Paschal.</i>	<i>Murphy, Paul.</i>
	<i>Duffy, Francis Noel.</i>	<i>Mythen, Johnny.</i>
	<i>Durkan, Bernard J.</i>	<i>O'Reilly, Louise.</i>
	<i>English, Damien.</i>	<i>O'Rourke, Darren.</i>
	<i>Farrell, Alan.</i>	<i>Ó Broin, Eoin.</i>
	<i>Feighan, Frankie.</i>	<i>Ó Laoghaire, Donnchadh.</i>
	<i>Fitzpatrick, Peter.</i>	<i>Ó Murchú, Ruairí.</i>

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	<i>Flaherty, Joe.</i>	<i>Ó Snodaigh, Aengus.</i>
	<i>Flanagan, Charles.</i>	<i>Pringle, Thomas.</i>
	<i>Fleming, Sean.</i>	<i>Quinlivan, Maurice.</i>
	<i>Foley, Norma.</i>	<i>Ryan, Patricia.</i>
	<i>Grealish, Noel.</i>	<i>Smith, Bríd.</i>
	<i>Griffin, Brendan.</i>	<i>Stanley, Brian.</i>
	<i>Harris, Simon.</i>	<i>Tully, Pauline.</i>
	<i>Haughey, Seán.</i>	<i>Ward, Mark.</i>
	<i>Heydon, Martin.</i>	<i>Wynne, Violet-Anne.</i>
	<i>Higgins, Emer.</i>	
	<i>Hourigan, Neasa.</i>	
	<i>Kehoe, Paul.</i>	
	<i>Lahart, John.</i>	
	<i>Lawless, James.</i>	
	<i>Leddin, Brian.</i>	
	<i>MacSharry, Marc.</i>	
	<i>Madigan, Josepha.</i>	
	<i>Martin, Catherine.</i>	
	<i>Martin, Micheál.</i>	
	<i>Matthews, Steven.</i>	
	<i>McAuliffe, Paul.</i>	
	<i>McConalogue, Charlie.</i>	
	<i>McEntee, Helen.</i>	
	<i>McGrath, Michael.</i>	
	<i>McGuinness, John.</i>	
	<i>McHugh, Joe.</i>	
	<i>Moynihan, Aindrias.</i>	
	<i>Moynihan, Michael.</i>	
	<i>Murnane O'Connor, Jennifer.</i>	
	<i>Murphy, Eoghan.</i>	
	<i>Murphy, Verona.</i>	
	<i>Naughton, Hildegarde.</i>	
	<i>Noonan, Malcolm.</i>	
	<i>O'Brien, Darragh.</i>	
	<i>O'Brien, Joe.</i>	
	<i>O'Callaghan, Jim.</i>	
	<i>O'Connor, James.</i>	
	<i>O'Dea, Willie.</i>	
	<i>O'Donovan, Patrick.</i>	
	<i>O'Dowd, Fergus.</i>	
	<i>O'Gorman, Roderic.</i>	
	<i>O'Sullivan, Christopher.</i>	

	<i>O'Sullivan, Pádraig.</i>	
	<i>Ó Cathasaigh, Marc.</i>	
	<i>Rabbitte, Anne.</i>	
	<i>Richmond, Neale.</i>	
	<i>Ring, Michael.</i>	
	<i>Ryan, Eamon.</i>	
	<i>Smith, Brendan.</i>	
	<i>Smyth, Niamh.</i>	
	<i>Smyth, Ossian.</i>	
	<i>Stanton, David.</i>	
	<i>Troy, Robert.</i>	
	<i>Varadkar, Leo.</i>	

Tellers: Tá, Deputies Mattie McGrath and Michael McNamara; Níl, Deputies Brendan Griffin and Jack Chambers.

Amendment declared lost.

**An Leas-Cheann Comhairle:** Amendments Nos. 6 to 10, inclusive, have been ruled out of order.

Amendments Nos. 6 to 10, inclusive, not moved.

**Deputy Pearse Doherty:** I move amendment No. 11:

In page 14, between lines 25 and 26, to insert the following:

“(22) The Minister may make an order under paragraphs (a), (b) or (c) of subsection (21) that pertains to a certain class or sector of business of employers.”.

This amendment deals with the employment wage supports. I agree with the principle of what Deputy McNamara was trying to achieve with the previous amendment, but based on our reading of it, it would have made the situation worse. As he pointed out, certain constitutional requirements are imposed on the Opposition so the amendment had to be worded in a certain way to be voted upon.

This amendment addresses the fact that not all employment, employers or businesses are the same. There is provision within the legislation allowing the Minister to amend certain aspects of it, including how long the wage supports continue, the 30% rate and the rates of payments, through an order or resolution of the Houses. We would like the Minister to be able to make such an order under paragraphs (a), (b) or (c) of section 2(21), which are the parts of the Bill that pertain to a certain class or sector of businesses and employers. For example, he could stipulate that the downturn for businesses in the arts sector does not need to be 30%, but could be 20% or even higher. Conversely, we may find out later in the year that things are going better than hoped in the retail sector and that there is a pent-up demand there. We do not want legislation that applies the 30% rate across the board because not all sectors will function in exactly the same way. That is the type of proposal we are making in this amendment.

I will raise a number of issues regarding the section now, as we are pushed for time.

*8 o'clock*

I am one of the Deputies who have acknowledged the importance of the TWSS. I wrote to the Minister about bringing in an income support scheme before one was brought forward and it has played a vital part in supporting jobs and keeping businesses afloat. I am, however, concerned that this scheme is being tapered too early and too quickly. One of our amendments, which has been ruled out of order, sought to extend it.

It will end now, but it will be replaced with a new employment wage scheme. One concern we have is that the new scheme will have a lower rate of support for employers, but I also want to raise other issues. On page 6, for example, in section 28B(1)(b)(i), the case is made that a proprietary director would not be entitled to this support. That is relevant to somebody who has ordinary shares of 15%, or more, in the company, but that would be the normal case for many small businesses. They would have been able to benefit from the current scheme, but they will not be able to benefit from this one. The question is how that will impact on those businesses. Other provisions are fair, such as that which states that someone who is a related person should not be able to avail of this scheme unless they were working beforehand. Those types of protections are important, but let us look again at the proprietary director in this instance to ensure this is not unfair to them.

I am very concerned that there is now no support whatsoever for employees who earn less than €151.50. Some 153,000 workers are in that position in the State, and while some of their employers are availing of the TWSS, that will end in a few weeks. Some of the workers concerned are on the minimum wage and working less than 15 hours a week. If an employer has to make tough decisions about letting employees go, then obviously that employer will now decide that it will be these lowest-paid employees who will be let go because there will be no subsidy from the State to keep these people in employment.

There is a way to deal with this issue. In an amendment that was ruled out of order, we proposed that a support of 85% for these low-paid employees should continue. Consideration should be given to that proposal so that we will not have any perverse incentives. It is possible that the opposite situation could also occur, where employers would increase the hours of those employees and bring them up to the requirement. In this constrained environment, however, there is a disincentive at work here. A proportional wage support, a percentage as opposed to a flat rate, for these individuals would be worthy of consideration. I would love to touch on other issues regarding section 2, but we are pushed for time, so I am going to leave it at that.

**An Leas-Cheann Comhairle:** Is any other Deputy that I missed offering to contribute? I call Deputy Boyd Barrett.

**Deputy Richard Boyd Barrett:** I support this amendment. It is another way to try to address the deficiencies in the Bill and the need for sectoral-specific approaches for those sectors hit harder than others. We have gone through the debate, and I do want to extend it, but I have one additional appeal to make to the Minister. He asserts, and it is a fact, that we cannot further amend this Bill now. In addition to the suggestion that he should talk to the NTA about the taxi drivers and listen to the points made concerning the arts, music and entertainment sectors, will he respond to the request that before the Dáil winds up for the summer there would be a meeting between party groups to look at those sectors? That is what this amendment is trying to do and it is right that we should have that sectoral-specific response.

Even while listening to the debate, some of the people affected have been texting me with heart-breaking stories that I do not even want to read out here because they are so upsetting and personal. Those people are begging and it is a pity they have to do that. It would be very much appreciated, therefore, if the Minister responded positively to the suggestion made by Deputy Doherty earlier that we meet to discuss some of these specific issues before the Dáil recess. These issues are not limited, by way, to the Department of Culture, Heritage and the Gaeltacht. They cover several Departments, including the Minister's, as well as the Departments of Employment Affairs and Social Protection and Business, Enterprise and Innovation. I refer to addressing these really difficult concerns.

Turning briefly to this section, all my amendments have been ruled out of order. That is unfortunate and I do not quite know why. It is bad enough that we have had no pre-legislative scrutiny of this Bill and that all Stages are being taken together. The Opposition, however, has bent over backwards to be accommodating. Then, our amendments, which I think are reasonable, to attach some conditions regarding workers' rights to the subsidies being given to employers have been ruled out of order. I do not understand why. If the Minister will respond, however, does he not think that there should be conditions applied to those getting substantial subsidies? Those subsidies are important and nobody here is arguing against them. We support them to keep people in employment, but there should also be some responsibility on the employer to recognise trade unions, if people in workplaces are members of trade unions. Certainly, anti-union companies should not get support without being forced to change their attitude towards workers and the right to be in a trade union.

Conditions, therefore, should be attached to these supports to ensure that employers are not engaging in unilateral redundancies, cuts in pay and attacks on working conditions without consulting their employees. The principle of the pandemic is that we are all supposed to be in this together, so employers should sit down with their employees and discuss any proposed changes. A basic condition of these supports should be that no company getting them should be making excessive profits or giving big bonuses or pay increases to CEOs, when other people, including workers and the self-employed, are really suffering. Nobody should be profiteering off the back of this crisis and these public supports, which we must not forget are paid for by all the people.

Finally, in this section we had an amendment regarding the subsidy not applying in cases where people were earning less than €151.50 per week. I would like the Minister to explain that exclusion, because there is a real danger that employers may decide that if they do not get a subsidy for employees, who are often part time and often women, working for only a few days and earning less than €151.50 that they will be the first to be let go. That would be unfair and would hit some of the most vulnerable lowest-paid workers. I do not understand why the Minister inserted that exclusion and I wish he would explain it. I ask him to ensure the scenario I described cannot happen and that those workers do not lose out because of the way the subsidy scheme has been designed.

**An Leas-Cheann Comhairle:** Did Deputy Shortall indicate?

**Deputy Róisín Shortall:** I did, and I will raise some issues regarding this amendment. On Second Stage, I raised these issues but there was no opportunity for the Minister to respond then. Given the substantial subsidies involved, and it is only right that that should be the case, there should also be some conditionality attached. One obvious area concerns conditions of employment. The Minister could have used this as an opportunity to ensure that employers treated workers properly regarding the right to collective bargaining and the right to representa-

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tion in the workplace. It is regrettable that opportunity was not taken. The previous cut to the VAT rate could also have been used to ensure better quality employment, particularly in tourism and hospitality where conditions of employment are the worst of all industries. We could have achieved a lot by attaching conditions to the previous VAT cut. That was a missed opportunity. The Minister should consider attaching similar conditions to the subsidies proposed in this legislation.

I earlier raised the issue of the cut-off figure of €151.50. It is difficult to understand why a subsidy is not being provided and perhaps the Minister would explain that. Why has he fixed that minimum figure of €151.50? My concern is that there is now a strong temptation for employers not to pay anybody less than €151.50 and it seems there is a strong incentive to achieve that by changing people's work rosters. That could easily entail people being expected to work longer hours regardless of whether that suits them in order to bring them up to that minimum figure. The corollary of that could be that other people in the company will have their hours cut to maximise the subsidies an employer can draw down.

The way in which the employment wage subsidy scheme, EWSS, is to be implemented is by means of a new PRSI class. There will be significant difficulties in implementing the scheme but if it happens, it will continue to mark or highlight an employee's payslip which, when viewed by banks or other third parties, could very much disadvantage that person in terms of being able to get a mortgage, loan or whatever. The Payroll Software Developers Association has drawn this to the attention of the Department and is providing an alternative way of processing payroll. I ask that the Minister remain open to the proposal of that organisation.

There will be substantial employer PRSI savings coming out of all of this. I wonder about the long-term implications of that for the Social Insurance Fund. Given that the level of employer PRSI in this country is much lower than it is in our European neighbours, that is a retrograde step. We should not be facilitating what might be close to a zero rate PRSI contribution from employers.

**Deputy Ged Nash:** I will speak to the section, if I may. I introduced an amendment that was, unfortunately, ruled out. It related to the notion of attaching social and employment conditions to the enormous bundle of taxpayers' money and borrowed cash that we will be injecting into the economy in the next period. It is not a radical idea and is done routinely across the European Union in one fashion or another.

I am a great believer in, and was a supporter of, the introduction of the temporary wage subsidy scheme. In many ways, I think it was the best example of social partnership in practice. The Government, trade union movement and employers essentially came together to design a scheme quickly in order to support businesses, working people and the State through a difficult time. I understand that this particular scheme was obviously developed in the dark of night and was turned around very quickly to ensure people got cash when they needed it most and companies would not close their doors, would be maintained and continue to operate, and the relationship between the employer and employee would continue and give people hope for the future in dark times.

I was hopeful that the Minister might respond to my repeated calls, and those of others, for the attachment of conditions to this new scheme that is being proposed and which I support. As I said on Second Stage, the Labour Party and the Irish Congress of Trade Unions proposed the evolution of this scheme into a German-style short-term work scheme with conditions at-

taching to it. One of those conditions should have been a requirement to ensure that recognised training opportunities were provided under the scheme because, as I have said *ad nauseam* in this Chamber and elsewhere, we have one of the lowest levels of in-work training in the European Union. Our future competitiveness and productivity will depend on the agility, skills and experience of our workforce.

This is a golden opportunity for the State to paint a picture of a better future and leverage its authority and power to try to create better outcomes for working people. I say that with a couple of particular sectors in mind. We know the tourism and hospitality sectors require State support at the moment. They have been at the front of the queue and made some serious demands on the Government. I understand that. However, one never hears the voice of the worker in those sectors because it has been crowded out. Those workers are working in precarious conditions, on a low rate of pay and have very little prospect of a future horizon and full-time career in that sector because of the precariousness and uncertainty involved. This was an opportunity not to reinvent the wheel but to impose a condition on employers who are benefiting from this scheme, for example, those in the hospitality sector, to engage in the joint labour committee system. That system has been legislated for in this country since 2012 but is routinely vetoed by employer bodies who want to drive down labour costs, flip staff as much as they can and demand maximum flexibility from them.

The joint labour committee system works very well in the contract cleaning and security sectors, where good, progressive employers come together with trade unions to develop customised solutions for their sector based on decent pay, a level playing pitch for doing business and decent conditions. It has worked very well but, routinely, the hospitality sector, including restaurants and hotels, has decided that it does not want to engage and that veto continues to be permitted. Unfortunately, the previous Government voted down legislation developed by me and my Labour Party colleagues in the Seanad late last year which would have ended the employer veto. Sectoral collective bargaining is the norm across the European Union. If we are to develop ways in which we can tackle market and income inequality in this country, this is how to do it.

In the same way that we did not attach many conditions to the bank bailout, there are no conditions on the cash that will be pumped into various businesses over the next period. I accept that the cash injection is required but here is an opportunity to do something different, to try to rewrite the rules and make Ireland a little bit more equal. Unfortunately, we have failed to do that and failed to use this opportunity. I wonder sometimes if we ever learn the lessons of the past. We have a problem with low pay in this country that is haunting us today and will haunt us for generations to come. Some 23% of all Irish workers are considered to be low paid. That is not something of which we should be proud and, in post-pandemic Ireland, we should not accept that any job will do.

**An Leas-Cheann Comhairle:** As no other Deputy is offering, I will ask the Minister to respond and to be conscious of time.

**Deputy Paschal Donohoe:** I will be, but Deputies have raised an array of issues.

**An Leas-Cheann Comhairle:** I am not restricting the Minister. I am trying to get through as many amendments as I can.

**Deputy Paschal Donohoe:** I appreciate that. I thank the Deputies for the variety of matters

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they have raised. I will deal with each of them in turn.

I will deal first with the amendment tabled by Deputy Doherty. I am very much aware of the issue the Deputy has raised. His point was that different parts of our economy are now beginning the slow journey into recovery at very different speeds. For some parts of our economy that will be a long journey; a journey some have not yet begun. That is why we are making changes to the temporary wage subsidy scheme and making it an economy-wide scheme.

To speak to the Deputy's point, I considered very carefully going down the route his amendment indicates. As I understand it, the amendment endorses an economy-wide approach but would give the Minister for Finance of the day the ability to have sector-wide differentiation if it was judged to be necessary. This was something I considered. In the first phase of putting the Bill together, I considered whether a sector-specific scheme would be the right way to go. As I said, different parts of the economy are now moving at very different speeds.

The difficulty I quickly ran up against was twofold. The first difficulty was how to define a sector in a way as to make it clear legally what companies, employers and parts of the economy are and are not entitled to avail of the scheme. It was so difficult to come up with a legally operable definition of what a sector is that I felt it was not worth pursuing in this particular change because it would only create further difficulties down the line. For example, how would the Government deal with a company or employer that trades in different sectors such as, for example, tourism, transport and retail?

The second difficulty that meant we did not go down this route was that if it was sector specific, it could have raised state aid issues regarding support for some parts of the economy and not others. On a practical level, an issue would quickly develop in respect of which sectors would be left out of the scheme. I have little doubt that if we went down a sector-specific route in designing the scheme, Deputies would ask for sectors to be included and would probably make good points as to why.

I fear that the challenges we have ahead of us are still so great that an economy-wide scheme is still appropriate. As the scheme evolves organically, it may be the case that the scheme will be concentrated in particular sectors, as opposed to it being what it is now, that is, an economy-wide scheme. That is why I am not accepting the amendment and why we did not use that model for the design of the employee wage subsidy scheme.

I will deal with the other issues raised by Deputy Doherty. He raised the issue of the €151.50 floor for this scheme. Having considered the matter, I believe that a floor of €151 is worth putting in place for the employee wage subsidy scheme for two reasons. It is my expectation that employers would look at the choices they have. They can pay people less than €151 and get no subsidy or they can pay them above €151 and get a subsidy of €150.

I want to create a dynamic which is the opposite of what Deputy Doherty said will happen. Employers will realise that if they pay people €145 they will not get a subsidy, but if they pay them €155 the State will make available a subsidy of €150. That will create a dynamic that could be positive in terms of some of the wage issues raised by Deputy Nash. It is the right ceiling to have for a subsidy, with the possibility of creating a dynamic that rewards workers and, I hope, enhances the number of hours they have available to them and the gross wages they take home at the end of a week.

In addition to that, €151.50 equates to 14, 15 or 16 hours on the minimum wage. It cor-

relates to a level of part-time work. If the dynamic to which I have referred happens, that will offer the possibility of the number of hours worked or gross wages increasing.

If that does not happen, I refer the House to sections 28A(4) to (6), inclusive. These provisions give the power to the Minister for Finance, in conjunction with the Ministers for Public Expenditure and Reform and Employment Affairs and Social Protection, to make the variations to the scheme deemed necessary.

After two months of the operation of the scheme, I am required to conduct an assessment of its operation. I have the power to make adjustments that I believe are necessary. This is an issue I will keep under review because it is not my intention that those who suffer in respect of the hours they work or the wages they receive are part-time workers or those on very low incomes. By putting in place this measure, as described, I seek to create a dynamic that moves in the other direction.

Reference was made to proprietary directors. It is correct to say that a provision involves a change to the temporary wage subsidy scheme. It is a standard measure that is being introduced to deal with compliance issues for schemes like this. As has been said by a number of Deputies, in order to be a proprietary director a person has to have more than 50% of the shares issued for his or her company. This scheme is about supporting employees and allowing owners and employers to keep businesses going. This change will not create some of the difficulties to which Deputies have referred but I acknowledge that over the past 24 hours I have received correspondence on this measure from small companies who have raised concerns. It is something I will review as the EWSS gets up and running.

I want to avoid being in a situation where in a few months' time, Deputies ask me why particular forms of directors are benefiting from the scheme. I seek to proactively deal with this issue. I acknowledge that I have received correspondence on the issue and when the scheme is up and running, I will review its impact on smaller employers and directors of small companies. Deputy Shortall raised some issues I have already covered. She also raised the issue of employer PRSI and our PRSI code. I am very much aware of the need to maintain employee PRSI contributions during this period. My understanding is that the subsidy scheme will maintain employee PRSI contributions during the lifetime of its existence.

On the point the Deputy made on employer PRSI, I am aware of the issue she has raised. I was aware of it when I was a Minister in the last Government. We now have to fund sick pay for many citizens very quickly. The issue raised by the Deputy on employer PRSI is an increasingly fair one and the programme for Government refers to the issue of PRSI contributions. This is not an issue for today, at a time in which we are trying to keep many companies and employers going. We are trying to get our economy back into better condition but it is something we will have to look at in the lifetime of this Government. I am watching debates ensuing elsewhere regarding somebody having to suddenly self-isolate and how he or she will do that if his or her employer does not make certain levels of sick pay available. The issue of how we fund sick pay and some of the issues we have on how we fund better benefits for the self-employed, for example, mean we will have to consider the future of how we fund our social insurance system.

Deputy Shortall also referred to the issue regarding the coding and reference of the employee wage subsidy scheme on employees' pay dockets. I will look at the issues raised by the Deputy and I am aware of issues raised by the Payroll Software Developers Association. That group has been the hidden heroes of implementing this scheme. I want to thank it for the work

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it did because were it not for the IT ingenuity of its members, we would not have been able to do this. A group of software engineers, over a few days, changed a system we used to collect tax revenue to suddenly make it the system in respect of how we pay people. I want to record again my thanks to them.

The Deputy also referred to significant implementation difficulties. I am not aware of them. Perhaps the Deputy will clarify what they are. This scheme has been really well implemented, very quickly and for many employees, so Deputy Shortall might clarify what they are.

Regarding the issues raised by Deputy Nash on collective bargaining, union representation and the rights of employees, I know they are important. As to why they are not included as qualifying criteria for this scheme, the rationale is that the purpose of this scheme is to keep people in a job and maintain their incomes insofar as we can. I do not want to be in a position where I bring in qualification criteria for the scheme that deal with what I understand and know to be legitimate matters the Deputy has raised, only to suddenly find out that companies are not qualifying for this scheme and employees then lose their jobs because of that. The issues raised by the Deputy need to be the basis. We may make further progress on them and, in fact, will need to make further progress on them in this Dáil but the route to take to do it is not the wage subsidy scheme as it is currently designed. I do not want to make changes to this scheme now that jeopardises jobs across what I fear could be a difficult August and September for many different employers.

To go back to a point made by Deputy Jim O'Callaghan on Second Stage earlier, the dialogue we need to have with employers in future will need to change in the post-pandemic era. As for this scheme, which is now on the statute books, I hope to be in a situation in which I can wind down and close it at some point in my tenure as Minister for Finance, because that would reflect the fact we had got back to a degree of normality within our country in terms of people's incomes, their work and the number of people at work.

I am convinced of the need for a scheme like this and for the principles of a scheme like this to be available to a Government quickly. If this had been in place in those early days when the pandemic hit, we could have acted even quicker. I take responsibility for it not being in place. In the context of a framework like this, it needs to be a quasi-permanent feature of how we support jobs and income when incredibly catastrophic things happen to an economy. In that context, we need a new debate with employers regarding what the other side of the deal will be. While I do not believe this is the place within which we should do it, that debate is coming.

**Acting Chairman (Deputy Bernard J. Durkan):** Deputy Doherty, is the amendment being pressed?

**Deputy Pearse Doherty:** We are not pressing the amendment. We are pressed for time now and I would love to be able to get to amendment No. 16. which proposes the reduction in the VAT rate from 13.5% to 9%.

I am not sure the Minister has the power to introduce a percentage support under the powers he announced. He would have the power to vary the rates but that would just be to bring it down from €151 to a lower level. A lot of people work just a couple of hours in employment. I know many of them who work in numerous jobs. The reality is that they will not get bumped up to €151. That cannot be done artificially, it must be done in the normal course of things.

I agree with a wide support for the economy currently. All I was doing in this amendment

was what the temporary wage subsidy scheme did, that is, give the Minister the powers to vary the rates and the level of turnover for specific sectors. We used the same language that was signed off on by the Attorney General in previous legislation that has passed through both these Houses. Where there is a will, there is a way. It is a way if we need to, because we do not know where the economy will be in two or three weeks, never mind two or three months. It allows the flexibility for the Minister, upon a resolution of the Dáil, obviously, to vary rates for groups of workers.

That said, I am not pressing the amendment.

**Deputy Richard Boyd Barrett:** I would like an answer to the questions I asked on the section. There was a specific request to discuss those sectors that are in trouble before the Dáil session ends. Is the Minister open to that, given he expressed sympathy for the sectors mentioned?

This amendment was attempting in another way, as had some of our amendments, to address the concerns of those groups that we have talked a lot about tonight, namely, the arts workers, the music workers, the defence workers and the taxi drivers. If the Minister is genuinely empathetic to their plight, is there an openness to discuss those matters with party groups or, indeed, with some of their representative groups before the end of the Dáil term or some point soon?

The Minister did not really respond to the issue of conditionality raised by me and by Deputies Shortall and Nash in trying to attach some conditions in terms of collective bargaining rights, trade union rights and examining the profitability of some firms to ensure nobody is taking advantage and people are not getting the support they should not be getting. The Minister might just respond to those points.

**Deputy Paschal Donohoe:** I never said I had the ability to bring in a different percentage contribution for which Deputy Doherty is calling. I simply made the point that I have the ability to vary some of the operation of this scheme during its lifetime. I also know many people, as does the Deputy, who are in part-time work and who have many different employers. I take his point that it is unlikely they will go from two hours to ten hours. It is possible, however, that the employer of somebody who is on ten hours may decide to employ them for two or three hours more and get a €150 subsidy for so doing. That is possible and we should be open to the fact that could happen.

The Deputy referred to the term “sector”. The term “sector” has been used in legislation, but it does not have any precedence in legislation such as this. We assessed this and found we could not access a term of sector that would have been legally viable for this approach here. Practically we would have ended up with all kinds of issues with one sector of the economy claiming it was getting the subsidy at one rate but wanting it at the other rate that another part of the economy was getting, and some parts of the economy claiming they were not getting this subsidy at all but their neighbours in a particular part of the economy were. I am very sceptical of whether it would have worked. As I said, I considered it earlier when putting this all together.

In response to Deputy Boyd Barrett, I answered the question about conditionality that was put to me by Deputy Nash. I answered at some length outlining why I felt it would not be appropriate. Deputy Boyd Barrett again said a measure of my empathy is whether I will meet people. The measure of my empathy is first what I can do through schemes such as this to try to support workers throughout our economy, which is what this scheme has done. I have raised this issue with the Minister, Deputy Catherine Martin, since the Deputy first raised it with me.

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I have raised directly with her the concerns he raised. I hope that, if she sees fit, she would be able to meet him or listen to issues that have been raised by the groups he mentioned. I must act in deference to her. As she is the Minister with responsibility for those areas, it is appropriate that she engages with those groups first rather than my doing so.

I think those were all the questions that were put to me.

**Deputy Richard Boyd Barrett:** I really do not want to stretch this because I know Deputy Doherty wants to get to his amendment. What the Minister, Deputy Catherine Martin, told me was the direct opposite of what the Minister just said. I do not accept this pass the parcel. I talked to her the other day. I asked questions and she said insofar as the resources allocated to her have been made available, she had put in some supports. That was her point about the €25 million. When it came to the issue of income subsidies, she told me I needed to talk to the Ministers for Finance, and Employment Affairs and Social Protection. That is the truth. This pass-the-parcel stuff is not good enough.

This is why it is totally relevant to this Bill. We need an answer. Will there be an income subsidy for all these people in the arts and music area? It is not just the artists; it includes the crews and so on. It is not just an arts issue. In fact, the events people are very keen to say they are not even defined as arts. It is about income supports for sectors that have been decimated by the pandemic measures. The same point goes for the taxi drivers. I ask the Minister not to pass it off to the Minister, Deputy Catherine Martin. We need to know if the Government is even interested in looking at this. That is the question and an answer would really be appreciated.

**Deputy Róisín Shortall:** I wish to reply to the Minister. My understanding is that the Payroll Software Developers Association, PSDA, identified implementation difficulties. I cannot itemise them, but I understand it did. Does the Minister accept it is not a good idea to have an indication or a mark on a payslip showing that the employee was in receipt of a subsidy because there are negative implications of that in terms of borrowing?

Regarding the floor of €151.50, many people are quite happy and are only in a position to work ten or 12 hours. What is the Minister's thinking on that? Why did he pitch it at that level? Does he accept that employees may come under pressure to increase the number of hours they have to work, which may not suit them? At the same time, other employees may have hours cut. I do not fully understand the rationale for setting that floor.

**Deputy Paschal Donohoe:** I thank Deputy Boyd Barrett for his questions. I am not passing anything off. I am introducing an economy-wide scheme. What is implicit in bringing in an economy-wide scheme is that I am not at this point proposing to bring in anything that is different sector by sector. I think it is clear in this legislation that we are looking to introduce a scheme that benefits as many people as possible. I would have thought that would have been welcomed. I think the Deputy has welcomed it in the contributions he has made.

Even his own address on the issue highlighted the difficulty with this approach. He started off with one group in the country, artists, who do need support. He then went group by group through many others who also need support. When we are in the level of economic shock we are now, the best way to respond is to help everybody equally by the same amount, which is what this scheme does. Everybody is being treated the same way. They are principles of equality that I would have thought the Deputy would recognise and welcome. Everybody is being treated equally by this scheme, which gives everybody the same rate provided that the company

employing them meets the criteria.

Before I come to the points Deputy Shortall made, I know some people who are very worried about their future are watching tonight's debate. I know many workers are concerned about where they will be going in the future and they are tuning in to listen to my words. Again, I say this to those who are looking at the debate on this important legislation. The reason €2.25 billion is being invested in this programme is to help them at a time of such great need. With respect to what Deputy Nash said earlier, the conditionality of this scheme can in no way be compared to the bank guarantee. We helped banks and God knows we have had many debates about that in this House and elsewhere. This is about helping people to keep their jobs and about helping small employers to keep going.

Deputy Shortall questioned whether this should be referenced on an employee's payslip. I think there are two reasons for doing so. First, employees should know the level of subsidy that is being made available to them by the State through the taxes they have paid in more normal times. It allows them to check that versus the wages their employer is paying them. It is important to know that. The other reason it is appropriate to know is that it is an appropriate signal to send to citizens that the State stood by them at this time of need. The wage subsidy scheme, which is enabled by the way we ran our economy for many years, even though Deputy Shortall did not have much good to say about at that time, is now funding a programme of more than €2 billion to help people at a time of need. It is appropriate that they know that contribution is there. It is also appropriate that they can compare that contribution with the wages they have.

The Deputy made a point about the assessment for mortgages and other loans. I reiterate that this must be done on a case-by-case basis. We have a shared interest in ensuring that mortgages are not issued only to find out later that they are not affordable. I have experienced at first hand the enormous strain and stress caused by that. We do not want that to happen again. The Central Bank has been very clear about the implementation of proper lending across the period. It is in the long-term interest of all.

I am not aware of the issues she mentioned on behalf of the PSDA. As I have said, the scheme has been implemented really well by the Revenue Commissioners. The challenges we have had along the way have not been related to the system. That is due to the expertise of the Revenue Commissioners and the amazing ingenuity and technical ability of the software designers and payroll designers who worked with them in implementing this scheme.

Amendment, by leave, withdrawn.

Question proposed: "That section 2 stand part of the Bill."

**Deputy Pearse Doherty:** I thought this section had been disposed of. There are a number of amendments tabled which we have taken considerable time to devise. We are not going to be able to scrutinise all of the Bill. The next amendment reduces the VAT rate in the tourism sector from 13.5% to 9%. I would appreciate it if Members would facilitate a vote on that important measure which many who are watching hope will be included in the legislation. I will leave that to Members.

**Deputy Kieran O'Donnell:** I will speak briefly to the section. I have listened intently as the amendments have been gone through in considerable detail. My contribution will be very brief. I welcome the Minister's commitment to look at the issue of proprietary directors. There may be six proprietary directors in a company holding 15% each. Their situation is slightly

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different from that of self-employed people. They come under the existing scheme and should come under the new scheme in the interests of continuity and maintaining all employees. They are formally registered employees of their companies. I very much welcome that the Minister is looking at the issue. With regard to the administration of the scheme, it would make sense for proprietary directors to be included in the new scheme. I welcome the Minister's commitment to look at the matter in detail.

**Deputy Paschal Donohoe:** I want to be clear; this Bill will be implemented as passed by the House. I am advised by the Revenue Commissioners that the reference to directors in the Bill that is causing concern is an important compliance measure. As I have told Deputy O'Donnell and others, I have received correspondence on this issue in the past 24 hours. The Bill will be implemented as intended and as passed by the House but I will have a look at the issue before that happens because it is not my intention to penalise or to cause difficulty for small employers or the directors of small companies.

Question put and agreed to.

Sections 3 to 6, inclusive, agreed to.

**Acting Chairman (Deputy Bernard J. Durkan):** Amendment No. 12 is out of order.

Amendment No. 12 not moved.

#### NEW SECTION

**Deputy Ged Nash:** I move amendment No. 13:

In page 32, between lines 21 and 22, to insert the following:

“Layoffs and short-time

7. If and for so long as—

(a) an employer is the beneficiary of the wage subsidy scheme or of special warehousing and interest provisions under the Act of 2020 as amended by this Act, and

(b) one or more employees of the employer have been laid off or placed on short-time due to the effects of measures required to be taken by his or her employer in order to comply with, or as a consequence of, Government policy to prevent, limit, minimise or slow the spread of infection of Covid-19,

then new employees may be hired by the employer only—

(i) to positions in the workforce where such layoffs or short-time have not occurred, and

(ii) where the vacancy cannot be filled by one of the employer's employees on short-time work.”.

I will not detain the Minister or the House. I appreciate that time is of the essence. This amendment is designed to prevent situations in which full-time workers are made vulnerable to displacement because it may be more financially attractive for employers to take on a number of short-time staff under the employment wage subsidy scheme, EWSS, and to receive that

State subsidy. I do not believe anyone would like that outcome. This amendment is designed to protect workers against that. I am interested to hear the Minister's view on it.

**Deputy Paschal Donohoe:** The Deputy's amendment seeks to restrict the hiring practices of employers who access the temporary wage subsidy scheme, the employment wage subsidy scheme or the special warehousing and interest provisions of the Bill. The amendment proposes that entry to such schemes would mean such employers would not be able to hire new workers to fill roles vacated due to layoffs or to hire new workers unless the work they are hired to carry out has been already offered to increase the hours of short-time workers.

These schemes are stand-alone measures to support employer viability through an unprecedented period and are based on clear and objective criteria that may be determined by the Revenue Commissioners. Concerns around the manipulation of access to such schemes have been already addressed to the greatest extent possible. It is not appropriate to link qualifications for such supports with matters that are more appropriate to employment law bodies.

As I have said previously, the position in respect of the temporary wage subsidy scheme and the employment wage subsidy scheme does not affect any legal obligations the employer may have to his or her employee as regards the terms, conditions and entitlements of employment. The new section 28B(6) proposed in this Bill provides for safeguards which will achieve what the Deputies aim to achieve in their amendment. It states that, except for bona fide commercial reasons, an employer cannot access the employment wage subsidy scheme if he or she has laid off a qualifying employee and replaced this employee with two or more qualifying employees who work fewer hours with the aim of increasing the number of qualifying employees so that he or she can get an increased subsidy payment.

I am glad we have the opportunity to get to Deputy Nash's amendment because this matter has been dealt with, albeit in a different part of the Bill from that which the Deputy seeks to amend.

Anything beyond the provision I have outlined would be expressly outside of the remit of the Revenue Commissioners. I note, however, that there is a sufficient number of bodies to deal with employment disputes in Ireland in which there is already a high level of expertise. The Workplace Relations Commission is responsible for a range of tasks in this area, including promoting and encouraging compliance with relevant enactments. In employment rights cases, the Workplace Relations Commission adjudicates and, if either party is dissatisfied, its decision may be appealed to the Labour Court. There are already checks and balances in place to ensure fairness to employees and employers. This matter has been dealt with in a different way in the proposed section 28B.

**Deputy Ged Nash:** I am satisfied with the Minister's articulation of that provision. We obviously need to maintain oversight over its robustness as the scheme evolves and as employers access it. On that basis, I am happy to withdraw the amendment.

Amendment, by leave, withdrawn

**Acting Chairman (Deputy Bernard J. Durkan):** Amendments Nos. 14 and 15 in the name of Deputy Doherty have been ruled out of order.

Amendments Nos. 14 and 15 not moved.

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Section 7 agreed to.

## SECTION 8

Question proposed: “That section 8 stand part of the Bill.”

**Acting Chairman (Deputy Bernard J. Durkan):** Deputy Doherty is opposing section 8. We have only 55 seconds left.

**Deputy Pearse Doherty:** I would oppose the section but I urge the Acting Chairman to move on. We dealt with the issue involved on Second Stage.

Question put and agreed to.

Sections 9 to 11, inclusive, agreed to.

## SECTION 12

**Acting Chairman (Deputy Bernard J. Durkan):** There are 13 seconds left.

**Deputy Pearse Doherty:** I move amendment No. 16:

In page 48, between lines 8 and 9, to insert the following:

“(b) in paragraph (ca) of subsection (1), by substituting “paragraphs 3(1) to (3), 7, 8, 11, 12, 13(3) and 13B(1) to (3)” for “paragraphs 7(a), 7A and 12”, and”.

*9 o'clock*

**Acting Chairman (Deputy Bernard J. Durkan):** There are 13 seconds left.

**Deputy Pearse Doherty:** We have a few minutes left.

**Acting Chairman (Deputy Bernard J. Durkan):** Seconds.

**Deputy Pearse Doherty:** This amendment reduces VAT from 13.5% for the sector that is seriously affected to 9%. I urge that we would push that to a vote. I am calling a vote on the amendment.

**Acting Chairman (Deputy Bernard J. Durkan):** I am sorry but the time has now expired so I have to put the final question. That is unfortunate, but I am bound by the order of the House.

**Deputy Pearse Doherty:** With respect, could I just ask-----

**Acting Chairman (Deputy Bernard J. Durkan):** I am sorry. I did my best.

**Deputy Pearse Doherty:** I will not try to speak over you, Acting Chairman.

**Acting Chairman (Deputy Bernard J. Durkan):** I did my best. We are moving on. I have a question to put in accordance with the order of the House.

**Deputy Pearse Doherty:** Acting Chairman, could I put a point of order?

**Acting Chairman (Deputy Bernard J. Durkan):** Yes.

**Deputy Pearse Doherty:** Could I ask that the Minister would extend this session for five

minutes to facilitate us because, as he knows, Committee Stage was delayed by a mistake from the Chair? We have facilitated the speedy passage of this Bill.

**Acting Chairman (Deputy Bernard J. Durkan):** Deputy Doherty knows he cannot do that.

**Deputy Pearse Doherty:** Yes, a Minister can change the order.

**Acting Chairman (Deputy Bernard J. Durkan):** I am sorry.

**Deputy Pearse Doherty:** With respect-----

**Acting Chairman (Deputy Bernard J. Durkan):** I tried to move the debate forward and it was not possible. If the Minister wants to make a quick intervention he may do so but I am putting the question then.

**Deputy Paschal Donohoe:** Deputy Doherty knows I do not have that power.

**Acting Chairman (Deputy Bernard J. Durkan):** Okay. I know that too.

**Deputy Paschal Donohoe:** The order is fixed already.

**Acting Chairman (Deputy Bernard J. Durkan):** The time permitted for this debate having expired, I am required to put the following question in accordance with an order of the Dáil on 28 July: "That in respect of each of the sections undisposed of, the section is hereby agreed to in Committee, the Title is hereby agreed to in Committee and the Bill is accordingly reported to the House without amendment, Fourth Stage is hereby completed and the Bill is hereby passed." Is that agreed?

**Deputy Pearse Doherty:** It is not agreed.

**Acting Chairman (Deputy Bernard J. Durkan):** Then I must put the question.

**Deputy Pearse Doherty:** Could I make a point of order?

**Acting Chairman (Deputy Bernard J. Durkan):** There is no provision for a point of order.

**Deputy Pearse Doherty:** You do not even know what I wish to say, Acting Chairman.

**Acting Chairman (Deputy Bernard J. Durkan):** I am sorry-----

**Deputy Pearse Doherty:** Could I ask for guidance from the clerk?

**Acting Chairman (Deputy Bernard J. Durkan):** Deputy Doherty knows the rules of the House as well as I do. There is no room for a point of order at this stage.

**Deputy Pearse Doherty:** Could I ask for guidance from the clerk on the judgment you are about to make, Acting Chairman? I have seen a Minister extend the duration of a debate on legislation, despite it being ordered and voted upon, on the floor of the Dáil.

**Acting Chairman (Deputy Bernard J. Durkan):** I have never seen that.

**Deputy Pearse Doherty:** When that is agreed by the House-----

**Acting Chairman (Deputy Bernard J. Durkan):** I have never seen that and I am as long

in the House as Deputy Doherty.

**Deputy Pearse Doherty:** Could I just ask if that is the case?

**Acting Chairman (Deputy Bernard J. Durkan):** This Bill, which is certified to be a money Bill in accordance with Article 22.2.1° of the Constitution, will be sent to the Seanad. Is that agreed?

**Deputy Mattie McGrath:** It is not agreed.

**Acting Chairman (Deputy Bernard J. Durkan):** The Bill is agreed. I will read the last part of the script again. Fourth Stage is hereby completed and the Bill is hereby passed. Is the question agreed?

**Deputy Mattie McGrath:** It is not agreed.

**Deputy Pearse Doherty:** The Minister could extend the duration of the debate.

**Acting Chairman (Deputy Bernard J. Durkan):** He does not have the power to extend the duration of the debate.

**Deputy Pearse Doherty:** He does have the power to extend the duration of the debate.

**Acting Chairman (Deputy Bernard J. Durkan):** No, he does not. I am sorry, he does not at this stage. Anyway, nobody has disagreed so I presume the Bill, which is a certified money Bill, will now be sent to the Seanad.

**Deputy Pearse Doherty:** No.

**Acting Chairman (Deputy Bernard J. Durkan):** The Deputy has exhausted the procedures. He knows the procedures. This is the Final Stage and that is the order of House. I am complying with the order of the House so since nobody has called a vote I deem that the Bill is passed, which Deputy Doherty knows.

**Deputy Pearse Doherty:** I completely object to the way you handled the section.

**Acting Chairman (Deputy Bernard J. Durkan):** The Deputy can object away.

**Deputy Pearse Doherty:** When I called a vote, there was one second left. I stood up and you interrupted me.

**Acting Chairman (Deputy Bernard J. Durkan):** No. There was no second left.

**Deputy Pearse Doherty:** You did not allow me to call a vote. You had no right to do that.

**Acting Chairman (Deputy Bernard J. Durkan):** All right. I want to answer Deputy Doherty. He and I well know, as long-serving Members of this House, that at the stage he decided, for whatever reason I do not know, with a split second to spare, it does not happen that way. I am quite within my rights. The Bill is passed and we will move on to the next business, which is Private Members' business.

**Deputy Michael Creed:** Deputy Doherty is being disingenuous.

Question put and agreed to.

**Acting Chairman (Deputy Bernard J. Durkan):** This Bill, which is certified to be a money Bill in accordance with Article 22.2.1° of the Constitution, will be sent to the Seanad.

### **Perjury and Related Offences Bill [Seanad] 2018: Motion [Private Members]**

**Deputy Denis Naughten:** I move:

That Dáil Éireann calls on the Government to support the immediate establishment by the House of the Select Committee on Justice and for Committee Stage of the Perjury and Related Offences Bill 2018 [Seanad] to be the first item of business on the agenda and that this should occur no later than 31 October, 2020.

The motion seeks to immediately establish the Select Committee on Justice and to take Committee Stage of the Perjury and Related Offences Bill 2018. We believe that it is a priority that this legislation be brought to Committee Stage and be enacted into law.

This is a Seanad Private Members' Bill from that was sponsored by Pádraig Ó Céidigh and received the unanimous support of the previous Seanad. It was reinstated on the Order Paper earlier this week and we want to expedite it because at the moment perjury is a common law offence, which is rarely prosecuted. On average, there are three cases before the court in any particular year. The objective of the Bill is to clearly provide for perjury as a statutory offence and to make it a criminal offence with the possibility of ten years for conviction on indictment.

It is to provide a clear legal framework to hold a person to account who engages in deceitful or fraudulent activity in sworn testimony or in statements. We hear about issues every day relating to the cost of insurance, insurance fraud and exaggerated claims. Colleagues will speak about that later. The difficulty at the moment is that perjury is not clearly defined. This was a weakness in the statutes as far back as 1911 when the House of Commons introduced the Perjury Act 1911. The difficulty is that it was never extended to Ireland. In Northern Ireland, perjury was defined on statute there in 1946 but we have never done so here. The objective is to establish perjury as a statutory criminal offence just like theft or burglary. We need to have a modern statute that is clear and unambiguous and not have the vague definition that we have at the moment.

We believe it is imperative that this legislation be fast-tracked now through the Oireachtas because every day we read in the newspapers about cases and claims that are thrown out of the courts either because of exaggerated or fraudulent accusations being made or simply because judges do not believe the person that is taking the case. Some very detailed cases have been exposed in this regard. The Motor Insurers' Bureau of Ireland, MIBI, has a video online that people can watch of an individual who sought €60,000 after his bike was struck by an untraceable car. The video footage shows the individual lifting a wheelchair in and out of a car and yet when he goes in for his medical assessment, he is put into the wheelchair. That is just one of many examples in this regard.

In the current climate, everyone is talking about personal injuries, fraud and all that goes with that, but perjury is a much wider issue than the insurance claims aspect of it. People can tell appalling lies in commercial and family cases, and in many other areas, and do great dam-

age to others, either personally or financially, while they may amass substantial gains as a result of their behaviour. It is important that there are sanctions for telling lies under oath, not merely in court but also in an affidavit that is going to influence the outcome of a court case. Irrespective of the issues, the objective is to place perjury on the Statute Book. It is not just about penalising those who commit the offence of perjury, but it is also about preventing people from doing it in the first place. By providing tough sanctions, the objective is that people would think twice before lying and before diverting the course of justice.

**Deputy Cathal Berry:** On behalf of the Regional Group, I am happy to strongly support the restoration of this Bill to Committee Stage. It is really important that this happens and I will explain why.

First, significant work has taken place. The former Senator, Mr. Pádraig Ó Céidigh deserves a huge credit for that. There has also been significant stakeholder engagement. He liaised with, for example, the Bar Council of Ireland, the Irish Council for Civil Liberties, ICCL, the Garda Síochána Ombudsman Commission, GSOC, and a host of others including industry representatives such as Irish Small and Medium Employers, ISME. All of that engagement will come to nothing unless we capitalise on it. There has also been a huge amount of not only cross-party support but cross-party agreement to advance this Bill. The only reason this Bill is not on the Statute Book is the premature dissolution of the previous Dáil. We should seize this opportunity and capitalise on the work that has taken place to advance this Bill as soon as possible.

The second reason I am supporting this Bill is that perjury is not a victimless crime. There is a perception that it is somewhat harmless, and that it is just something we do and we turn a blind eye to it but we cannot afford to do that anymore. Deputy Naughten mentioned the insurance industry and I am sure he will also agree that the Bill is not pretending to be a panacea for the ills of that industry. It is going to focus on just one component, namely the perjury aspect. It is a major issue when people exaggerate their personal injury claims and, hopefully, the legislation will get them to think twice before they pursue that course of action. We must always remember that it is not just about insurance claims as there are more serious offences and injuries. For instance, people who have committed burglaries, assaults or sexual assaults are walking free at the moment because they were able to find someone who could create a spurious alibi for them. The Bill also focuses on white-collar crime, which is very important, family law cases and tribunals of inquiry. There have been a number of tribunals over the past few decades where senior businesspeople, and indeed politicians, have lied under oath and gotten away scot-free. That is why it is also important that this be advanced and expedited.

The third reason I like the Bill is that there is an emphasis on deterrence rather than on punishment or penalties. There is a grey area at the moment to which Deputy Naughten alluded. The Bill will provide the necessary clarity so that when people take the stand or sign a sworn affidavit, they are aware that if they perjure themselves and deliberately try to mislead the courts process, there will be consequences.

Fourth, the Bill is balanced to it and safeguards are included. For instance, it requires more than just one person's word against another to be convicted of perjury. This Bill will not only cover the little person who is perjuring themselves in the dock. There will be also an opportunity to prosecute the person who incites the first person to commit perjury. As such, not only does one get the little person but one goes after the big fish as well, which is very important. Crucially, there is an obligation not only on the person taking a personal injury claim to be truthful, but also on the person defending that claim. There is, therefore, an obligation on both

parties to be honest and truthful.

Finally, this is not just about insurance claims but about the core administration of justice in this country. We are a rule of law country. When someone signs a sworn affidavit or gives oral testimony in a court of law, we must be sure that the evidence is accurate and truthful and there are consequences for those who try to deliberately mislead the courts process. In summary, I am very much in favour of this Bill and I urge my fellow Members to support it.

**Deputy Peter Fitzpatrick:** I welcome the opportunity to take part in the debate. I support the Bill and welcome the fact that is now back on the agenda. The background to this Bill is that it was passed by Seanad Éireann on 19 June 2019 and referred to select committee in the Dáil on the 11 December 2019. At that stage the then Government said it would make minor amendments on Committee Stage. There was cross-party support for this Bill, support from industry and there is a commitment on it from the current Government in their programme for Government.

The purpose of the Bill is to simplify and consolidate the law on perjury and related offences. According to figures supplied by An Garda Síochána to the CSO in 2016, there have been just 31 recorded incidents of perjury in our courts in the past ten years. Currently, perjury is considered a common law offence in Ireland and as such is rarely prosecuted. If passed, the Bill would once and for all give a clear definition of “perjury” and provide proper guidance on the resulting penalties. It is vital that the Bill be passed simply because we need a strong deterrent to stop the crime of perjury in this country. It would send a clear message that everyone involved in perjury faces a severe penalty and that severe penalties would also exist for those who encourage others to perjure themselves.

This Bill will be a major help to the many small businesses around the country who have, over the past number of years, faced massive increases in their insurance premiums. Many small business owners to whom I have spoken during that time have made the point that the one reason they have been given for soaring insurance costs is false personal injury claims. As a former business owner, I can relate to this. We all know of businesses that have suffered as a result of false personal injury claims. I firmly believe that anyone proven to have made a false claim of injury should face the full rigours of the law. This Bill will help in this regard and at long last make perjury an offence with severe penalties. I hope this will make people think about making claims in the future.

For the legislation to be successful once it has been implemented, we must ensure that insurance companies utilise its full power. Too many times we have seen cases where insurance companies have settled cases out of court without the permission or indeed the knowledge of the policyholder. The effect of this on the policyholder can be devastating. I know of one particular case of a business owner in Dundalk who thought a small claim for personal injuries was being brought against them. They wanted to contest the case and firmly believed that the client had made incorrect claims and that no personal injury had actually occurred. They informed their insurance company of this and provided as much evidence as they could to the insurance company to back up the claim that no personal injury had in fact been suffered. They found out later that the insurance company had settled out of court for a sum in excess of €50,000. The effect of this on the business was that their public liability insurance increased from €3,500 per year to more than €15,000, all because the insurance company did not contest the case.

I welcome the fact that this Bill is being reintroduced to the House but we need to ensure

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complete support from the insurance industry and that it will use the power of this Bill to fight fraud. I am not sure how we can ensure insurance companies will effectively use the power being given to them in this Bill. I would be interested in debating this aspect further with colleagues.

Perjury does not only apply to the cases I mentioned earlier. Criminals are walking the streets today because someone perjured themselves for them. This is a difficult situation in that the person who has perjured themselves may have been put under extreme pressure to do so by criminals. We need to examine this to ensure that those who have been pressured to perjure themselves are given adequate support and protection. How we do this is probably a matter for another day but we must consider it.

I reiterate my full support for the Bill. We need a strong and robust system in this country that penalises those who deliberately perjure themselves for financial gains or otherwise. We need to send a strong message to those who commit perjury that severe penalties exist and will be used. We must also send out a very strong message to those who pressure innocent people into committing perjury on their behalf that severe penalties exist and will be used. We must protect those who have been forced to commit perjury as well.

Finally, I hope the Government supports this Bill as it passes through the various Stages and that we do not see any undue delay. I look forward to the passage of the Bill and to the day we can finally see perjury for the crime we all know it is and that severe and punishing penalties await those who commit this crime.

**Deputy Noel Grealish:** I am delighted to have the opportunity to speak on the Bill and I acknowledge the tremendous amount of work that former Senator, Pádraig Ó Céidigh, did in bringing forward the Perjury and Related Offences Bill 2018. The Bill received cross-party support when it was passed in the Seanad in June 2019. The fact the Bill is included in the programme for Government demonstrates the urgency and importance of signing the Bill into law. In drafting the Bill, Pádraig Ó Céidigh met the Bar Council, the Law Reform Commission, the Irish Council for Civil Liberties, the Irish Small and Medium Enterprise Association, victim support organisations and the Dublin Rape Crisis Centre.

It is surprising that a developed country such as Ireland is alone among the common law jurisdictions of the world in not having a statutory offence of perjury. While this will not be a magic solution to resolve the insurance crisis plaguing businesses it will signal to the courts, the Garda, the legal profession and society that Ireland as a nation will no longer tolerate lying under oath for personal gain. It is a positive sign that cases of false and exaggerated insurance claims are now being referred to An Garda Síochána, as until recently this was not the case. Over the past 12 to 18 months, we have seen more and more instances of insurance companies fighting claims in the courts. Signing the Bill into law will put the crime of perjury on a statutory footing, offering some possibility there will be serious consequences for taking exaggerated claims or lying under oath.

I support fully the four overarching objectives of the Bill, in particular that we will now be able to define a statutory offence of perjury. It will be easily interpreted by the Garda, the legal profession, defendants and the courts. Clear statutory penalties will act as a deterrent for the act of perjury and will be sufficiently punitive to reflect the substantial effect that perjury can have.

I hope the Bill will have a practical impact on businesses, especially in relation to spiral-

ling insurance costs. It is a sad reality that every week business owners, motorists, clubs and organisations throughout Ireland are before the courts as a result of claimants presenting with false or exaggerated personal injury claims, and until recently even if these cases were thrown out by a judge there were absolutely no consequences for the people making the claim. Many of these cases are taken on the basis of no foal, no fee. It is almost impossible to prosecute the people concerned for perjury because there is no definition of the offence in common law or statute law. The Bill will also send a clear message to those involved in the legal profession that there will be consequences for false claims, which must be related to clients before they step in to court and lie under oath.

We have all seen videos of people going into the bathroom. In my hometown of Galway, Pat McDonagh of Supermacs has engaged in a long campaign to highlight staged personal injury claims. Thanks to CCTV, some people can even be seen practising their fall or throwing water on the floor first. In situations such as this, small businesses are severely affected. If we put this into context, increasing insurance costs mean one person's lie becomes everybody's financial liability. This encompasses what Pádraig Ó Céidigh is trying to do. He has the full backing of the commercial world and small and medium enterprises in particular. They are very concerned with the damage that false claims can do to businesses and to schools.

When speaking on the Bill, Pádraig Ó Céidigh quite rightly pointed out that perjury is not a victimless crime and this is a point worth repeating. Good names have been destroyed due to lies told in court. Businesses have closed because of escalating insurance costs as a result of false and exaggerated claims. Whistleblowers have often been vilified due to the ease with which lies can be told without consequence. Perjury is not victimless. It affects people's lives, businesses and the rising insurance premiums of everybody in the country.

If the Bill is enacted and enforced it will signal a significant change in the "compo" culture mindset that has prevailed in Ireland in recent years. It will send a stark message to those who believe it is okay to lie under oath that there will be consequences for doing so and those consequences will be significant. It will not solve the problems related to insurance but it will be a start. It will also be of importance to the victims of crime as there will be a penalty for those who attempt to inflict injustice on them.

I commend the Bill to the House and I ask for the support of all parties for this important legislation.

### **Ábhair Shaincheisteanna Tráthúla - Topical Issue Matters**

**Acting Chairman (Deputy Bernard J. Durkan):** I wish to advise the House of the following matters in respect of which notice has been given under Standing Order 37 and the name of the Member in each case: (1) Deputy Mattie McGrath - the rising cost of the Shannon pipeline project; (2) Deputy David Cullinane - to discuss funding supports for the iconic North Quays project in Waterford through the urban regeneration and development fund; (3) Deputy Neale Richmond - to discuss funding for sporting groups and organisations in light of Covid-19; (4) Deputy Jennifer Murnane O'Connor - to discuss the status of additional beds for St. Luke's department of psychiatry in Kilkenny; (5) Deputy John McGuinness - to discuss a Department of Justice and Equality update on various inquiries within its remit; (6) Deputy Denis Naugh-

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ten - to discuss the establishment of an autism spectrum disorder class at St. Teresa's Special School in Ballinasloe; (7) Deputy Jackie Cahill - to discuss the postponement of the PSO levy; (8) Deputy Éamon Ó Cuív - to discuss the commencement of the Public Health (Alcohol) Act and the minimum unit pricing of alcohol, given the effectiveness of similar measures in Scotland; (9) Deputies Martin Browne, Violet-Anne Wynne and Maurice Quinlivan - to discuss the future of Shannon Airport and Shannon Heritage; (10) Deputy Donnchadh Ó Laoghaire - to discuss the need for additional places in special schools and in autism spectrum disorder units in mainstream schools in Cork; (11) Deputy Michael McNamara - to discuss the cancellation of all surgeries at Ennis General Hospital; (12) Deputies Michael Fitzmaurice and Claire Kerrane - to discuss the closure of Castlerea fire station, County Roscommon; (13) Deputy Pat Buckley - to discuss concerns in relation to plans for a residential development in Waterrock, east Cork; (14) Deputy Holly Cairns - to discuss a reduction in the student contribution charge for further and higher education, in light of economic difficulties facing third level students; (15) Deputies Mairéad Farrell and Louise O'Reilly - to discuss the appointment of special advisers to Government; (16) Deputy Michael Healy-Rae - to discuss the issue of towns and villages in Kerry which lack sewerage facilities; (17) Deputies Paul Murphy, Mick Barry, Catherine Connolly and Thomas Pringle - to discuss asylum seeker conditions and the hunger strike by residents of the Skellig Star direct provision centre in Caherciveen; (18) Deputy Darren O'Rourke - to ask the Minister for Transport, Tourism and Sport to outline his plans to support workers at Aer Lingus; (19) Deputy Sorca Clarke - to discuss the opportunity to develop a wilderness park at Corlea Bog in Longford; (20) Deputy Michael Moynihan - to discuss difficulties accessing felling and planting licences and licences to construction access roads into forestry plantations; (21) Deputy Joe McHugh - to discuss a moratorium on the length of time that participants can spend on a community employment scheme; (22) Deputy Alan Dillon - to discuss insurance claims for business interruption resulting from Covid-19; (23) Deputy Thomas Gould - to discuss the closure of Mount Cara on Redemption Road in Blackpool, County Cork; and (24) Deputy Ruairí Ó Murchú - to discuss public liability insurance rates for the leisure industry, community groups and community facilities.

The matters raised by Deputies David Cullinane, Mattie McGrath, Alan Dillon and Michael Moynihan have been selected for discussion.

### **Perjury and Related Offences Bill [Seanad] 2018: Motion (Resumed) [Private Members]**

The following motion was moved by Deputy Denis Naughten on Wednesday, 29 July 2020:

That Dáil Éireann calls on the Government to support the immediate establishment by the House of the Select Committee on Justice and for Committee Stage of the Perjury and Related Offences Bill 2018 [Seanad] to be the first item of business on the agenda and that this should occur no later than 31st October, 2020.

**Minister for Justice and Equality (Deputy Helen McEntee):** I thank the Regional Group of Deputies for moving the motion in the House this evening. I am pleased to inform the House that the Government supports the motion and is fully committed to enacting the Perjury and Related Offences Bill 2018 as soon as possible. The importance the Government attaches to this legislation is reflected in our commitment to enact it in the current programme for Government and I look forward to working with all Deputies in the House in delivering on this commitment.

It would be remiss of me to refer to the successful passage of this important Bill through the Houses to date without acknowledging the considerable contribution of former Senator, Pádraig Ó Céidigh, and his team. As principal sponsor of the Bill when it was introduced to the Seanad as a Private Members' Bill at the end of 2018, he worked tirelessly and co-operatively with my predecessor the former Minister, Deputy Flanagan, and other stakeholders in steering the Bill through the Seanad with cross party and Government support. It is also important that I acknowledge the valuable contribution of the former Minister, Deputy Flanagan, in moving necessary amendments to the Bill and allowing it to be moved in the Dáil through its adoption as a Government Bill at the end of 2019.

The Government has been supportive of the Bill to date, in the Thirty-second Dáil and Thirty-third Dáil, and I assure the House the Government and I will continue to accord the Bill the importance and priority it merits by working to achieve its enactment as soon as possible. In this connection, my officials have consulted widely with other Departments and offices on this Bill and we are working with the Office of the Attorney General on preparing proposed Committee Stage amendments. These are mainly technical amendments to references in the Schedule to the Bill and I look forward to bringing a memorandum to the Government on this matter in advance of Committee Stage.

As the Deputies may be aware, Committee Stage was initially scheduled for the Bill in the Dáil on 22 January but the Bill lapsed with the dissolution of the Thirty-second Dáil on 14 January 2020. Now that we have formed a new Government, I am delighted to confirm the Bill has been restored to the Dáil Order Paper and that it has full Government support regarding the prospect of its early passage through the House to enactment.

Of course, notwithstanding the eagerness I share with Deputies here this evening in speedily progressing the Bill, the House will appreciate that the Government and I will need to be mindful of the advice of the Attorney General in ensuring the Bill holds up to legal scrutiny as we progress it through the outstanding legislative stages.

In terms of the motion before the House, I should also note that the establishment of a select committee is a matter for the relevant House and the priority given to Committee Stage of a Bill is a matter for the relevant committee and chairperson. That said, I wish to place on record my support for the early establishment by the House of a select committee on justice. Moreover, in accordance with the motion before the House, I would welcome any decision by a newly-established select committee to afford priority to the Bill in determining the scheduling of its business in the autumn session.

It is never acceptable to lie on oath or, for that matter, when undergoing any formal legal proceeding, and the Bill is a significant legislative mechanism that will not only provide for considerable penalties against those who commit the offence of perjury or related offences but also have a substantial deterrent effect regarding the making of fraudulent claims or statements by those persons who may be minded to do so. Historically, we know the offence of perjury has proven difficult to prosecute under the common law and the number of successful prosecutions tend to be in single figures in any given year. However, history also tells us, and Deputies have clearly pointed to this, that all too frequently some people have deliberately made false statements or lied in official legal proceedings which has materially affected the course of justice. I join with Deputies throughout the House in championing the Bill as a bulwark against such deceitful and fraudulent conduct and actions. When enacted, the Bill will provide a clear definition of perjury and, simply put, it should enable this offence and related offences to be more

easily prosecuted in the courts.

The Bill will provide clear direction to the courts in respect of the necessary penalties to be applied regarding the nature of the offence that is being prosecuted. The penalties in the Bill are in line with those of the Civil Liability and Courts Act 2004 regarding false evidence and fraudulent claims. Assuming the Bill is enacted, the maximum penalty on summary conviction is a class B fine or term of imprisonment of up to 12 months. The maximum penalty on indictment for which a person may be liable on conviction under this legislation is a term of imprisonment of ten years and-or a fine of €100,000. This sends a clear message to any potential abusers of court time that making deliberate false statements across legal and other proceedings, if it is proven to be the case, will not go unpunished and may result in serious consequences for the individual concerned. I am confident that this Bill will go a long way in deterring those who may be considering providing dishonest evidence during legal proceedings. It should be noted that the penalties provided for in section 13 of the Bill are penalty and sentencing maximum ceilings and they serve a judge in determining an appropriate sanction. The judge clearly has a discretion to impose a sanction on a person convicted under this legislation below that ceiling, depending on the judge's view of the gravity of the offence.

The Bill also consolidates other relevant legislation in the area of perjury and knowingly making false statements in formal legal proceedings. The deterrent effect of the legislation, which Deputies have mentioned, is likely to be considerable and a very welcome development, especially in the insurance area. This is one of a number of measures dealing with insurance issues, insurance fraud and exaggerated claims. Concentrating on insurance reform is one of the key priorities of the Government and for me as Minister, and addressing this area is one of the core elements of the programme for Government. The Government is keenly aware that insurance costs at present are a very significant issue for businesses, motorists, households and a range of sporting, community and voluntary groups. The Government will continue to prioritise reform of the insurance sector with particular emphasis on motor, public liability and employer liability. Recently, a number of Ministers led by the Tánaiste met with representatives in these areas to progress tackling the insurance issue across the Departments it falls under, including the Department of Justice and Equality.

The House will be aware that the programme for Government commits to establishing a Cabinet sub-committee to deal urgently with insurance reform. More specifically regarding the matter of insurance fraud, in which prosecutions may be brought upon enactment of the Perjury and Related Offences Bill, the Government has committed to increasing co-ordination and co-operation between An Garda Síochána and the insurance industry. We will seek to expand the Garda Economic Crime Bureau which deals with fraud and we will ensure the relevant fraudulent claims are forwarded to the Director of Public Prosecutions. Additionally, insurance fraud data will be published to allow us to analyse this area with a view to taking the appropriate actions to address any pertinent issues. The Bill, when enacted, will be an important measure in countering insurance fraud and the compensation culture and high cost of insurance that it fuels. Hopefully, it will support many in our constituencies who have been impacted by this in recent months.

Of course, it will also have a general application in other areas where statutory statements and declarations are required. It will serve as a clear message to anybody engaged in legal proceedings that the person must be mindful of the need to tell the truth and that any deliberate departure from the truth may have serious consequences in terms of the level of sanctions and penalties that will be at the judge's discretion to impose.

I reiterate that the Government and I share the sense of importance and priority that the Regional Group, through the motion before the House, attaches to this Bill and its early enactment. I share the objective of seeing Committee Stage scheduled and passed before 31 October this year, subject to parliamentary scheduling decisions, and I look forward to the enactment of the Bill before the end of this year.

With regard to the Labour Party amendment that has been put forward, I have no difficulty if the House wishes to support it. It calls for the inclusion of the Harassment, Harmful Communications and Related Offences Bill 2017 with the current Bill proposed here this evening. That Bill has been progressed by Deputy Howlin and there has been constructive engagement with Deputy Howlin and the Labour Party on it. I would like to see this enacted too as a matter of priority before the end of the year. However, I stress that the establishment of the relevant committee is obviously not in my gift, nor is how a chairman of that committee might identify what is first, second or third on the agenda, but I strongly support bringing forward both Bills to Committee Stage and their enactment before the end of the year.

I thank the Regional Group for tabling this important motion. It has the Government's support and I look forward to updating the House on future developments on this and many other areas, in particular with regard to our objectives in tackling insurance concerns.

**Deputy Verona Murphy:** I believe this Bill is very relevant and will have a significant impact on people's decisions when contemplating an action through the legal system in the future. SMEs ranging from haulage operators to crèches, community and voluntary groups, GAA, soccer and sports clubs, hotels, clubs, pubs and restaurants are dealing with the lack of insurance reform every day. Their unsustainable insurance costs continue to trend upwards and they fear for the future of their organisations. Now the insurance crisis hampers their recovery from the pandemic.

Parents of young adults who have just qualified to drive but who are unable to get insurance contact me every day. They find it incomprehensible that time after time there is no adequate reform of the insurance sector to stop the gouging by all, bar none. Premiums of thousands of euro are being requested for their young adult children to start their independence.

In my former role as president of the Irish Road Haulage Association, IRHA, I led a delegation to meet the Irish Competition and Consumer Protection Commission in Dublin to discuss cartel behaviour in the insurance sector. The meeting lasted more than two and a half hours and the result was a blank request to come back with the evidence. The evidence it required was unobtainable even though every haulage operator was having the same experience of the premiums being quoted increasing by as much as 300% on the previous year, in many cases regardless of claims history. As a result, I contacted the EU competition arm, DG Competition, and led a delegation from the IRHA to Brussels to meet it. It was more than interested in the same details that did not interest the Irish Competition and Consumer Protection Commission. DG Competition held many more meetings and what was described as a dawn raid took place in Ireland in July 2017.

I never envisaged that it would take so long to get a result from what we thought might help competition in the insurance market. It did not happen. What did happen, however, is that hundreds of haulage operators moved their operations abroad, mainly to eastern European countries where premiums for their fleets were half the price they were charged in Ireland. There has been little or no action to curb the continuing rise in the cost of premiums, which can

still only be described as gouging.

I thank the former Senator, Pádraig Ó Céidigh, for drafting the Perjury and Related Offences Bill 2018. I believe it is essential and it will be the missing link in too many claims being made based on fiction, not fact. It should and will deter persons willing to lie on affidavit or under oath by putting that on a statutory criminal footing, in line with our nearest neighbour, Northern Ireland. I implore the House to support the Bill and nourish those suffering from the lack of sanction on those who lie in order to gain under false pretences.

**Deputy Matt Shanahan:** It is important that the Perjury and Related Offences Bill 2018, which was introduced by the former Senator, Pádraig Ó Céidigh, and which lapsed with the Thirty-second Dáil be reinstated. I am glad to hear the Minister say it is to be restored to the Order Paper. Somebody once said, “Never argue with someone who believes their own lies”. That mantra should never be allowed in our legal system.

Perjury is an offence. In essence, it is lying for personal gain or advancement, and it is rarely a victimless crime. It inflicts damage on our economy, social fabric, society and way of life. Although it is a common law offence, it has always been difficult to prosecute. It arises in civil disputes, family law cases, compensation claims, tribunals and often where a deposition or affidavit is given. We have all heard of court comments in which the veracity of statements, evidence and testimony has been questioned by judges, but we rarely hear of follow-up for wilful and deliberate misleading of courts or the deliberate attempt to extort compensation for personal financial gain.

The issue of insurance has been raised, and one Deputy referred to Pat McDonagh’s business, which was on national TV. We also remember the staged car crashes that have taken place in past years, extorting moneys again through insurance fraud.

Family law cases are not exempt from perjury either, with people making statements diminishing their means to avoid payments they should be making.

When witness or evidential statements that are clearly untrue or contrived are proven to be so but are not prosecuted, that diminishes our rule of law and encourages others to follow suit. Swearing a false affidavit in a personal injuries action was codified as a criminal offence in section 14 of the Civil Liability and Courts Act 2004. Review of prosecutions in the years since reveals that minimal prosecutions have taken place for this offence. We must expect and demand more from our Judiciary and our insurance industry.

We need to ask the insurance sector to accelerate a book of quantum to look at the compensation payouts occurring as insurance will be one of the major stumbling blocks for businesses in 2020 and beyond. Deliberate lies made under oath or through affidavit can have terrible lifelong consequences for those against whom they are made. Exaggerated and false personal injuries claims place onerous burdens on businesses, public bodies, homeowners, motorists and insurers. Any entity can be found legally liable where no liability should exist but for the act of perjury being perpetrated against them.

Perjury is never a victimless crime. This motion attempts to bolster our laws to ensure our courts deliver just outcomes, not unjust rewards. I commend the motion to the House and hope that if it is adopted, any resulting legislation will empower insurance companies to test properly the veracity of damages claims before deciding appropriate compensation. I hope it will stimulate our Judiciary, our DPP and our gardaí to pursue vigorously those proven to have laid

false evidence and defend those who are the victims of it. I hope it will lead to higher standards and examination of evidence in our courts rulings to provide more equitable outcomes for those pursuing a claim or a just finding. Most of all, I hope it will send a message that lying under oath has consequences, is a criminal offence and will be prosecuted.

**Deputy Martin Kenny:** I commend the Regional Group on bringing this motion before the Dáil. It was, I think, in December 2019 that we last debated this legislation in the House. It is badly wanted legislation and has been talked about for a considerable length of time.

Much has been made of how the insurance industry has been impacted by perjury, false statements and false affidavits and of how this has resulted in an increase in premiums. I have a house full of teenagers at home, and when they go looking to get car insurance I realise immediately the huge impact of this. That is the case across the country. It is very positive for young people to learn to drive and to be able to drive at a young age. It gives them great confidence in life. They find, however, that insurance is a massive obstacle to their progression. Many of them who try to get summer work, particularly if they live in rural areas, need transport, specifically a car. They cannot afford that because of the cost of insurance.

In the area of commercial insurance, for various small shop owners and other businesses out there, the escalating cost of insurance has become one of the biggest costs they have to endure. While there are many reasons for this, the insurance industry continues to tell us this is because of the high premiums being paid. They point to fraudulent activity. Many of us, however, wonder whether the level of fraudulent activity is as extensive as the insurance industry claims it to be. Many of us doubt it is so high. When representatives of the insurance industry were before the finance committee last year, my colleague, Deputy Doherty, made it very clear to them that while they claimed that 20% of insurance claims were fraudulent, when they were asked whether they had reported those 20% of insurance claims to be fraudulent to An Garda Síochána, they had reported practically none of them. There is therefore a certain amount of exaggeration on the part of the insurance industry in that respect.

Another aspect of this is that there are people out there who go before the courts to claim insurance fraudulently and in other aspects of life use the courts and other measures to enrich themselves and others around them. They often lie in that context. That simply has to be stopped, and we must have a clear mechanism of doing so. The law to date does not do that. Going back hundreds of years, the idea of perjury has always been there. Previous generations held more store in swearing on the Bible, perhaps, than present generations have. Be that as it may, at the same time the reality is that when people go before a court they swear to tell the truth to their peers and to everyone around them. They should have the honour and the integrity to follow through on that but, unfortunately, many do not. It is important we have a clear definition of perjury and a clear set of penalties as to what stands if people do go down that road. This legislation does that.

I commend the former Senator, Pádraig Ó Céidigh, who brought this legislation to the Seanad previously and advanced it a long way along the road. But for the dissolution of the previous Dáil, it would probably be law by now. That is unfortunate, but we are back where we are, and I commend and thank the Government and the Minister for saying they will provide the opportunity to progress this as quickly as possible and, it is hoped, bring it into being.

There are also situations, not just in the insurance industry but in other circumstances, in which false accusations and falsehoods are brought about to damage people. We see this in

various parts of life. Very often people are traumatised, and deep hurt can result in these circumstances. It is important we have a deterrent which is strong and ensures this does not happen. I am sure many Members of the Oireachtas dealing with the public will have come across such circumstances.

There is another aspect to this. People in the public are often talked about as being the ones who engage in this kind of activity. Of course, there is also perjury in the commercial sense. This is often described as white-collar crime and is a part of the criminal sector which gets little attention in this State or indeed in the western world in general. That aspect of perjury needs to be dealt with as well because many people suffer a lot of financial loss and huge trauma as a consequence of white-collar crime. I think much of that happens in the context of false affidavits, false documents being produced and so on. This leads us into the whole area of perjury when it comes before a court.

Finally, I commend the work that has been done in the past on all of this. When we all come together and work together to try to progress matters, we have a great power in this place. This Bill is an example of that, and I again commend it to the House. I hope we will move forward with due speed to bring it into law.

**Deputy Ruairí Ó Murchú:** I will follow up on the comments of my colleague, Deputy Martin Kenny. I welcome the motion. I thank the Regional Group. This legislation is one of the pieces of the jigsaw that we need to deal with the whole insurance fiasco we have in this State. I accept what others have said. If somebody goes before a court and perjures himself or herself, whether in respect of a false claim or claiming an injury to be worse than it is or whether it relates to something that can be incredibly hurtful or painful to somebody, that needs to be seen as a crime and action needs to be taken. I also welcome what the Minister for Justice and Equality said about increasing the powers of the Garda in dealing with such types of fraud. That is absolutely required.

We have been talking about the insurance problem in this State for a considerable amount of time. Deputy Pearse Doherty made the point about the dysfunction in the motor insurance industry. A major tenet of what he said was that there were false and exaggerated claims but that the motor insurance industry was able to play on these from the point of view of jacking up people's premiums. This is where we need Government action, accountability and oversight. We also need to see Deputy Doherty's Consumer Insurance Contracts Bill 2017 enacted as soon as possible. It is a failing on the part of the Government that it has not already done that.

A number of solutions have been proposed in relation to dealing with the book of quantum. The Judicial Council got off to a rocky enough start, so we are not sure where that goes. I had conversations with the former Deputy, Gerry Adams, and with the former Minister of State, Senator Michael D'Arcy, who seemed to be on top of his brief and was looking at possible solutions in this regard and at the possible necessity for constitutional change.

There are two things here. There is the fact that there are exaggerated claims and the fact that this is sometimes used by the industry. There are also sectors where we have absolute dysfunction. I refer to the leisure and entertainment industry and to the community sector, which is about to get absolutely hammered. In my town of Dundalk, in the past fortnight I have been dealing with the case of Muirhevnamor community centre, a community facility that has done fine work in the recent period and through its long history in an area that suffers from severe disadvantage. Community facilities like this do brilliant work but this facility was charged around

€3,000 for insurance two years ago. It then went up to around €6,000 and this year it was told it could not be insured. Initially, it was because it made use of bouncy castles, which are necessary for children's parties and so on. When it removed these, it still could not get cover. I commend the work of Ms Mandy Fee of Pelican Promotions, who we have worked with for a considerable amount of time and who met the then Minister of State, Senator Michael D'Arcy, in relation to the Irish Leisure Industry Standards Association, ILISA, and self-regulation within the leisure and entertainment industry, particularly companies which have bouncy castles. It is an idea that has huge merit. Ms Fee has built a good relationship with insurance companies and underwriters. Due to that, we were able to get a really good quote for Muirhevnamor community centre. If it were not for that relationship and that work, we were in disaster territory.

From speaking to those involved, the information coming back is that this will move beyond community centres, the community sector, the leisure and entertainment industry and into all facets of our society. Underwriters in Britain are, at this point, very slow to quote for anything that exists in this State. That is due to fear of the big claims, of somebody going to court and obtaining a huge payout. I accept the necessity of this where people are genuinely injured or have genuine problems and insurance exists to cover for such problems but we have absolute dysfunction.

The way we live our lives and the society we have is threatened by the straitened circumstances that community facilities and community resources, such as this community centre one in Muirhevnamor, are facing due to the pandemic and consequent reduction in moneys coming in. We all knew about the insurance problem but it is going from being an insurance problem to a no-insurance problem. In that eventuality, we need to ensure we have facilities where our kids can go for sports training or other activities, and where their parents can go for yoga, dancing and so forth. People need breaks. We know the damage done in the past while in relation to mental health and the lack of mental health services so we need to ensure these facilities are available to us.

I call on the Minister, Deputy McEntee, to speak to her colleagues. I will have a follow-up meeting. I have already had initial conversations with the Minister of State, Deputy Fleming, in relation to moving on some of these parts. We can speak of ILISA, of the possibility of regulation within the industry, of block-buying of insurance for sectoral groups and so forth but we also need the Government to take action, to take the insurance groups to task and to ensure we have the legislative back-up and other requirements to ensure companies, community groups and community facilities can get insurance and we can go about living our lives the way we have done over the past while. Otherwise, we will not only impact on businesses and put people out of work, but we will also reduce the opportunities we have to carry out the extra-curricular activities we all engage in. This will impact on sports clubs and sports groups, including GAA, karate and other martial arts clubs, boxing, and so on. They will all be impacted. We need to ensure we have solutions as quickly as possible.

The other problem is that it is moving into other sectors and will eventually impact on retail and other areas we see as low risk. This pandemic in insurance is spreading throughout the entire industry and will impact on every sector. We need to ensure it is arrested as soon as possible and that solutions, such as that found by Ms Mandy Fee and Pelican Promotions in regard to ILISA, are taken up by Government and supported and that the action required is taken by Government to deal with high payouts and enacting all necessary legislation.

**Deputy Martin Browne:** The Bill is important as laws protect our general safety and en-

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sure our rights as citizens against abuses by other people and organisations. In order that they work, laws should be effective, capable of implementation and carry weight. Otherwise, what is the point of the law? This is why I and Sinn Féin will be supporting this motion.

Perjury is defined as the offence of wilfully telling an untruth or making a misrepresentation under oath. The High Court recently stated that it is “a sworn statement that the maker knows to be false”. It is intended to protect the integrity of trials. It is referred to across a range of legislation in this country and yet there are deficiencies in how it is defined, its position in the statutory framework and the penalties that would be applied as a consequence. If the citizens of this country are to have faith in our legal system, then they need to know there will be penalties imposed on those who go counter to legal directives.

The purpose of this Bill, to place perjury on a statutory footing, is to be commended as it would make the offence easier to prosecute. I also welcome the inclusion in this Bill of the subornation of perjury, which makes it an offence to persuade, induce or otherwise cause another person to make false statements while under oath. This could help to protect those who may be under pressure from elsewhere to make a misleading statement for the purposes of misleading a court or damaging another individual’s reputation. The fact that people are not penalised more is damaging to our faith in the justice system. This is because the sins of some, if not punished, will have an effect on the many. In today’s society, we are all aware of the challenges that present themselves in this regard. The issue of insurance claims, whether in regard to policies which are domestic in nature, like home or care insurance, or applicable to the wider public, like public liability insurance or insurance for businesses, high-cost policies have limited our ability to carry on with everyday life safe in the knowledge we are fully covered. Why is this? There are many reasons and the blame lies primarily with the insurance industry.

Deputy Pearse Doherty has pursued the issue of high insurance costs for some time. While fraudulent claims contribute to the cost of insurance policies, they are nowhere near being the cause of the insurance rip-off that has become all too apparent in recent years.

*10 o’clock*

Before making my next point, let me emphasise that the insurance industry is broken because of the industry itself. Any notion that unjustifiable increases in people’s policies are mainly due to fraudulent claims, as has been suggested in the past, is misleading, to say the very least. Insurance fraud is an issue but the industry’s way of dealing with it apportions blame to people who bear no responsibility at all. Fraud is unjust, damaging to reputations, costly for those targeted and it is against the values we in this House seek to promote. There are a number of cases of insurance fraud that are so blatant and deliberately false that they have come to public attention at a national level. If cases of suspected insurance fraud makes it to the courts, something that emboldens those engaging in the suspected fraud is their ability to make untrue statements. If there is little punishment for people uttering untruths under oath, what is to stop them from doing so? They may subsequently be hit with costs if they are found to be in the wrong, but they will take that chance, at a cost to the State in many cases, because false statements are rarely subject to penalties. One could say that the consequences of this situation fall to the general public through the taxes they pay but also through the insurance policy prices charged to each and every one of us. These are just some of the implications for society of toothless perjury laws.

Criminal prosecution is another issue in which this matter has relevance. Blatant disregard

for truth is something that those who have no respect for the law rely on to evade the charges against them. The absence of sanctions for perjury for those who have sought to evade prosecution does little to improve public confidence in a successful prosecution being made. If we allow people to lie, how can we possibly expect them to stop? I want the public to know that this Bill will address false declarations in other areas, including the world of finance, where misleading statements on balance sheets, accounts, reports, returns and similar declarations can have vast implications. These provisions will help to address instances of so-called white-collar crime. The outcomes of those types of cases can be frustrating for the public, leading to the assumption that those who are in a financial position to engage in this kind of unlawful activity can hide behind misleading details. Such details can often be used to confuse the examination process. We are no longer in a world where a person's moral code can be relied upon to ensure that he or she will tell the truth under oath. That is unfortunate but true.

I commend all those who have contributed to the Bill in the course of its way through the Houses. I give it my full support.

**Deputy Brendan Howlin:** I move amendment No. 1:

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

“calls on the Government to support the immediate establishment by the House of the Select Committee on Justice and for the first items of business on the agenda to be the taking of Committee Stage of the following Bills:

- Perjury and Related Offences Bill 2018 [*Seanad*]; and
- Harassment, Harmful Communications and Related Offences Bill 2017;

and that this should occur no later than 31st October, 2020.”

This is an unusual motion to be debating in Private Members' time. It is not the Second Reading of a Bill or a motion on a particular issue. Rather, it is an instruction or at least a request regarding a committee of the House. The first part of the request is that the committee be established expeditiously. That formed part of the Ceann Comhairle's work earlier this evening and I hope, therefore, that the first part of the request is in train. The second part of the resolution is to ask the committee to take Committee Stage of a particular Bill, namely, the Perjury and Related Offences Bill 2018, as a priority. I heartily commend Deputy Naughten and his colleagues in the Regional Independent Group on their statement, by way of this motion, that this is an important Bill. As every speaker thus far has argued, it most certainly is an important piece of legislation. I join others in commending former Senator Pádraig Ó Céidigh on the work he did in putting it forward.

The last Oireachtas was an unusual one in that a lot of Private Members' legislation was brought forward. Unfortunately, much of it did not progress to enactment. In fact, more than 200 Bills were introduced by Members, availing of the new facility we had to do so because the Government was a minority one and could not kill off every piece of legislation at birth. That allowed individual Members a real capacity, for the first time, to bring forward legislation. Very meaningful legislation was debated and some of it reached conclusion. One such Bill, which was not enacted, was the Perjury and Related Offences Bill 2018. We have heard very eloquent testimony from a range of people as to why this Bill should be enacted. It came as a surprise to many of us to realise that the act of perjury is not a statutory offence. It is quite extraordinary

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that this would be the case. I assumed it was a statutory offence and I agree that it certainly should be. For all the reasons laid out by other speakers, I think it will be done, by way of the speedy enactment of this Bill.

I have tabled an amendment to the motion and I am asking for the indulgence of the Regional Independent Group in so doing. My purpose is not to dislodge the priority this House should give to the Bill which the colleagues from that group have rightly placed on the agenda, but to ask them to allow me to request that in addition to their Bill, the new committee would also take as a priority another really important piece of legislation, namely, the Harassment, Harmful Communications and Related Offences Bill. This, too, is a Bill that has been going around for some time since I introduced it in the last Dáil, in 2018. It is a fundamentally important piece of legislation which seeks to address a situation that is affecting thousands of people every day in our communities, particularly younger people, and causes an extraordinary degree of unseen hurt and harm. I refer to online bullying, which is so intense in some instances that it is leading people, especially young people, to suicide. It includes the issue of so-called revenge porn and the incredible harm that is being done in that regard. Our existing legislation is hopelessly inadequate and hopelessly outdated when it comes to dealing with these matters.

I made a commitment to the family of the late Nicole Fox Fenlon, known as Coco to her family, a young woman who was bullied so badly that she took her own life. She suffered from a campaign of online bullying that was unrelenting, but her situation is not unique. The same thing is happening to people all over the country right now. Nicole's mother, Jackie Fox, has been an extraordinary champion for the enactment of legislation that would, as our Harassment, Harmful Communications and Related Offences Bill seeks to do, modernise the law and thereby protect precious children like her beloved Coco. One of the commitments I made to Jackie is that before the Bill is enacted, we would include a reference to "Coco's law" in the Long Title in memory of the beautiful daughter she lost. As I said, there are many others suffering as Nicole did. I have been contacted by scores if not hundreds of individuals who have endured and are enduring incredible hardship because of online bullying and because there is no way of stopping it. We need to make the online platforms accountable. We need robust laws that will make them remove harmful and hurtful communications and postings. We need to be able to follow through, in the strictest legal terms, on actions against those who are carrying out this incredibly harmful activity.

Without doing any harm at all to the primary and understandable objective of the Regional Group in putting forward this motion, I am seeking in my amendment to add the Labour Party Bill to the priority list of the new committee. I hope both Bills can be enacted before the end of this year. I understand that is the commitment the new Minister, Deputy McEntee, has given. I acknowledge not only her supportive words in regard to both Bills tonight but also in the meeting I had with her, where she gave me a firm commitment that the legislation that is on the Order Paper in my name and those of my Labour Party colleagues would be enacted speedily. It is unfortunate that both Bills did not fully progress in the last Oireachtas. In the case of the Perjury and Related Offences Bill 2018, it had passed all Stages in the Seanad and was on the verge of enactment, but it fell with the falling of the last Oireachtas. It is good that we can restore both Bills at the Stage they left off and put both of them directly into committee. A lot of work has been done in the Department of Justice and Equality on both Bills. The proposed amendments to both are ready to be submitted and we can do an enormously positive thing by getting these two important Bills enacted.

Finally, colleagues referred to the impact of the Perjury and Related Offences Bill 2018

on the insurance business. The Bill is a very important part of a suite of measures we need to introduce to reform the punitive charges being imposed on all sectors, not just motorists, who were particularly instanced tonight, but also small businesses and many others trying to do business in this country. We need a robust analysis of the insurance business. The former Minister of State, Michael D'Arcy, had done an enormous amount of work in this area and we need to complete it for him. Part of that work is the enactment of the Perjury and Related Offences Bill 2018, which it is hoped will happen as quickly as possible. I hope my colleagues and friends in the Regional Group understand my reasoning in trying to advance my own Bill as well as theirs and that they will allow the amendment to be passed in order that both Bills are enacted speedily. I ask the House to support the amendment.

**Deputy Catherine Murphy:** I commend the Regional Group on using its Private Members' time to reintroduce this Bill to the House and for giving us the opportunity to debate it. When it previously passed through the Seanad, it was seen as a positive sign that the Government of the day was giving proper consideration to Opposition legislation. In the previous Dáil, the legal services section of the Houses of the Oireachtas was enhanced. I think we will benefit from that and that a constructive approach will be taken by virtue of the fact that the Government will accept legislation from the Opposition and will work constructively with us.

Perjury is a somewhat unique concept insofar as it is a legal term that is widely understood by the public yet lacks a dedicated legislative underpinning. While the provisions of this Bill have existed within common law for quite some time, the organic manner in which they have developed has resulted in this area of law being in a somewhat "haphazard state", as described by Mr. Justice Peter Charleton. As a result, I fully support codifying the courts' existing practices by placing perjury on a statutory footing. Not only does doing so bring greater clarity to the law in this area, but it also demonstrates the seriousness with which we must treat cases of intentionally misleading the courts. It is particularly welcome that the initial legislation has been amended to clarify that the remit of the legislation goes beyond the courts and is equally applicable to tribunals of inquiry and commissions of investigation. While the specific offence of giving false evidence to a commission or tribunal already exists under section 18 of the Commissions of Investigation Act 2004 and section 3 of the Tribunals of Inquiry (Evidence) (Amendment) Act 1979, this Bill makes it clear that there is no distinction between those forums and the courts. That is right and proper and I hope it acts as a deterrent to those who might consider misleading such proceedings.

It is important to note that this Bill is just one of a number of things that need to be done to deal with the insurance industry. It is not a silver bullet. I am not entirely sure to what extent it will make a difference. Indeed the value of this legislation may end up being more symbolic than practical. England and Wales have codified perjury legislation which has been on their statute books since 1911 and perjury convictions there have averaged around 100 per year. This figure might sound quite high, but in the context of 1.19 million convictions in the same jurisdiction last year, it is a fairly rare offence. We should not take our eye off the ball regarding the range of things that must happen to address insurance costs.

As regards proof, I think the right balance has been struck in the legislation. Under the common law tradition, conviction usually requires the corroboration of at least two witnesses. This legislation retains the corroboration requirement but clarifies that convictions can be handed down on the basis of one witness's testimony where there is clear corroborating material that implicates the accused.

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My only major concern is not with the legislation itself but with the discussion around it, especially it being framed as a tool to drive down insurance premiums. As I have said, it is just one small part of a much bigger piece of work that needs to be done, not least within the insurance companies themselves. First, I am against making sweeping changes to the law surrounding perjury in all cases to address insurance costs alone. That would be akin to using a sledgehammer to crack a nut. Second, I fail to see how it would have such an immediate and material impact when fraudulent insurance claims are already criminalised under section 25 of the Civil Liability and Courts Act 2004. It is an offence under that Act to give false or misleading evidence in personal injury actions, but the number of prosecutions brought under that section has been minuscule. Whether this is the result of a lack of cases or of a lack of Garda resources to pursue such matters is not entirely clear. The suggestion that this Bill will change the situation is a bit of a smokescreen which has been promoted by the insurance industry. It is worth remembering that figures used by the industry to support the idea that fraudulent claims are an epidemic are not reflected in the number of cases referred by the Garda each year. Whether the legislation will materially lead to a greater number of convictions for perjury generally will depend on whether the resources will be available to pursue cases. That said, I believe the legislation stands on its own merits.

We will be supporting the Labour Party amendment, as that Bill must also be enacted quite urgently. The different kinds of interactions young people have nowadays in their use of digital media is astonishing. Some sort of mechanism is needed to bring balance there.

The book of quantum, which has been discussed in reference to insurance claims, must also be delivered on quickly. A lot of work has been done and many promises have been made in recent years, and they must be brought to fruition if we are going to address the insurance issue in a comprehensive way. I commend the former Senator, Pádraig Ó Céidigh, on bringing this legislation to the floor of the Seanad. No one will be happier than him to see it progress further.

**Deputy Mattie McGrath:** I, too, support this very important legislation and I compliment the Regional Group on bringing it forward. The Minister has left and I cannot see which Minister of State is here, but it is important that we deal with this issue for many reasons. Many other countries have legislation in this area and have brought successful prosecutions. However, it seems to be a free-for-all here. I question the legal profession because, while its members have to act on the information given to them, they often know full well that it is not truthful or proper and that many of the claims are fraudulent.

Community halls, GAA and soccer pitches, voluntary organisations, meals on wheels, community employment schemes and mountaineering and kayaking groups have shut down because of high insurance costs, which are a result, according to the insurance companies, of fraudulent claims. That is shameful. Many volunteers, or enablers as I call them, do a huge amount of work to put those community activities in place. Many of these cases in recent years have concerned playgrounds. My local playground in Caisleán Nua na Siúire is dúnta - closed up - because of two fraudulent claims. I was proud to be the chairperson of the committee that established that playground, but now it is locked up and unavailable to the children who need it because of unscrupulous, scurrilous, low and mean-spirited people who think they can take advantage of a soft touch.

As a business person, the cost of insurance to businesses is frightening. I have experience over the years where claims went in and it was expected that the insurance company would fight those claims. It is thought that the claims are being fought, but then we find out that a settle-

ment was made on the steps of the courthouse. Many a time, we might not even know that has happened.

I have a big family and it costs a fortune to get car insurance to get on the road. Many young people can purchase a car for €1,500 which has passed its NCT, yet the cost of insurance can be anywhere from €5,000 to €8,000. Insurance should be cheaper now because we did not have the NCT years ago. The cost of insurance is crippling, devastating and is destroying our economy. It will become more apparent now in the midst of the Covid-19 crisis because people will not be able to pay.

False and exaggerated claims are devastating businesses and there are few, if any, sanctions against those who make those claims. We saw advertisements on television for some time referring to “Your hand in my pocket” and requesting people to report suspected fraudulent claims. We have seen such claims and the resultant costs in respect of our own county council in Tipperary recently. I do not have the exact figures to hand, but a staggering amount was paid out in one year for accidents. There are definitely some genuine cases, and it is often found that those people seriously injured or, even worse, the families of those killed in accidents do not get half of the compensation they should. It is the same situation with medical insurance and claims regarding medical negligence. In hospitals, it is mainly taxpayers who foot the bill and the payouts are also staggering.

We must get to grips with and tough on those people who are serial claimants. We see and hear about them and we all know about them, and it is just not acceptable or good enough. I am glad the Minister gave a positive answer earlier regarding the acceptance of this legislation. I am also glad to see that it is in the programme for Government. There were, however, similar aspirations in the last programme for Government and the former Minister of State, Senator Michael D’Arcy, spoke frequently in many debates here on this issue. We thought we were going to make progress with that, but we did not.

The interests of the insurance companies are too powerful. We might as well have nobody as have the regulators. Across a wide spectrum of areas, we have regulators for this, that and the other but they are toothless, useless and fruitless in most cases. I mean that and I do not say it lightly. The regulators are all talk and no action. They have fine salaries, for which we pay a levy, and a big board, but they might as well be rubbing butter on a fat sow’s behind. They all have their snouts in the trough, and more than that. I refer to the experience of ordinary communities, ordinary people, ordinary business people, ordinary self-employed people and many of the people whom we spoke about tonight. When they get going in the spirit of the dance hall with the siege of Ennis, the foxtrot or the fast dance, there are injuries and claims in those circumstances as well. Those kinds of events are crippled as well and insurance to cover such situations has gone up greatly as well. Insurance has been paid this year, but those venues cannot even operate.

Insurance does not give any credibility and the discounts given for the lockdown were paltry. The Taoiseach told me one day that insurance companies have to make money and cannot pay out to everybody. The Perjury and Related Offences Bill 2018 goes to show what Private Members’ legislation can do. Deputy Verona Murphy was hopeful and I heard Deputy Pringle chuckling, as I was, about this new Government. In the last Dáil, several Bills were introduced, of which some were taken and some were not. We had some hope then with a minority Government being sustained by a lifeline from Fianna Fáil. If Dáil reform, the Business Committee and the smash and grab with the committees are anything to go by, this Government means we

have no hope of getting any legislation enacted. The current Ceann Comhairle is the fourth Ceann Comhairle since I came into this House and he has been extremely fair. Every member of the House is entitled to bring forward legislation and it should not be rejected because it comes from an Opposition Deputy. If the Government means to go on in the way it is treating the Opposition now, it will be a poor outcome for this Dáil.

The Government is limping home into the summer recess tomorrow and it will be very glad to get there. It is like a scalded cat going out the window, because after another week or two it would not have survived and we would have been into an election. I mean that seriously because that is the way this Government is. There is U-turn after U-turn, and it is like the road to Damascus, the road to Kildare or whatever it is. We hope this legislation will hold the Government to account.

I have no issue with Deputy Howlin's amendment because the issue of cyberbullying is very important. It is up to the Regional Group to decide if the amendment can be encompassed in this legislation. I hope that can be done, but we need to deal with this issue. People are losing faith in the whole system and especially voluntary committees and voluntary boards, which are required by guarantee to have limited liability. In the olden days and until quite recently, trustees of GAA clubs, halls and different institutions had sleepless nights because they did not know how they would manage.

I commend this legislation and I am glad it has come from the Regional Group. We will see if the Government will live up to its words and ensure it is accepted and embraced, and amended if necessary. Nothing is perfect, but we can get this legislation into committee, as soon as the committees have been established, and have it examined, passed and put into law. We can then ask the Judiciary to wake up and implement the legislation, and ask our legal eagle friends to back off as well. Everyone has their hands in our pockets and we just cannot survive.

**An Ceann Comhairle:** We move now to Deputies Fitzmaurice and Pringle, who are sharing time. I call Deputy Pringle.

**Deputy Thomas Pringle:** The Ceann Comhairle is right. I am sharing time with Deputy Fitzmaurice. This legislation was first brought forward in December 2019. The Government was accepting it and pushing it forward at that stage. The Regional Group has found a good way to bring this legislation forward again and at least now the group will be associated with it. The Government will bring the legislation forward in this way and it will be enacted. Unfortunately, I think this is now the only way that Opposition groups will get to put forward legislation. The days of the last Government when legislation could be put forward and passed by Opposition Deputies are long gone now.

A ten-year jail sentence and a fine of up to €100,000 will probably deter people from committing perjury. This Bill concerns the insurance industry, but we know that many other groups have also perjured themselves and are on the record as having done, including gardaí, business people and State employees. When this Bill is passed and the law enacted, I hope that it will be used to deter everybody from committing perjury and used to investigate everybody suspected of having done so, whether in court, in tribunals or in commissions of investigation.

The creation of a specific criminal offence of perjury has been hailed as a way of combating personal injury fraud and, consequently, bringing down soaring insurance costs. That is a bit disingenuous because I do not believe it will actually reduce insurance premiums. As we saw in

the finance committee towards the end of last year, large insurance firms are either exaggerating the number of fraudulent personal injury claims they receive to hike up premiums or are grossly under-reporting them to An Garda Síochána.

FBD Insurance, AXA Insurance, Allianz and AIG are all on the record as estimating that one in five personal injury claims is fraudulent. This 20% figure is the one that dominates the headlines, giving the impression that one fifth of all claims are fraudulent. When we dig deeper into the numbers, however, quite a different picture is painted. From a total of 2,500 personal injury claims in 2018, AIG flagged 18%, or approximately 450, as suspicious, but only reported four, that is less than 1%, to the gardaí. If it is a case of failing to report suspicions of fraud, then insurance companies could themselves be breaking the law.

It was also interesting that one of the senior judges in the personal injuries section of the High Court recently stated that “it is fundamentally dishonest to blame supposedly fraudulent claims for the cost of insurance”. It will be interesting to see if this Bill will lead to change, although legislation was already enacted in this area. Section 25 of the Civil Liability and Courts Act 2004 provides that where a person gives, or dishonestly causes to be given, evidence in a personal injuries action that is false or misleading in any material respect and which he or she knows to be false or misleading, he or she will be guilty of an offence. Section 14 of the same Act requires the plaintiff to swear an affidavit as to the truth of all assertions, allegations and information provided to the defendant. The cost of insurance working group looked at the use of this legislation to date and found no prosecutions or convictions under section 14.

I believe that the problem is not the offence of perjury but the lack of will to act on it and implement legislation. I hope that will not happen here but we are great at passing laws in this State. We have a very good suite of laws but very poor follow-up and, that is the problem.

I welcome the legislation and hope that it will prevent people from lying in court to gain a personal advantage but I am sceptical as to whether it will lead to lower insurance premiums.

**Deputy Michael Fitzmaurice:** I compliment former Senator Pádraig Ó Céidigh on drafting this Bill. He is a business person who sees the torment of insurance claims at the moment. We should also mention Mr. Pat McDonagh, who has done a lot of work on insurance claims down through the years. I also compliment the Regional Group for bringing forward this motion.

Do we want to solve this problem? There are many vested interests at the moment. If someone has a tip in his or her car, the insurance company will pay out even if someone was trying to do something fraudulent. We have seen many people on the television over recent months who have gone to the courts and nothing has been done.

I have become aware of an incident over the past week where a young guy, Mr. Justin Harney, has been in hospital in Georgia. He is fully insured. Three days were spent debating and arguing that matter, and even though it was got over, the likes of Laya Healthcare are delaying bringing him home. That is a disgraceful thing to do in genuine cases.

We must nail down the bill of quantum so that certain figures are agreed for settlements, as is the case in England. There is a hell of a difference between the costs of settlement for whiplash in England and Ireland. In saying that, there are people who are genuinely injured and no one is saying that they are not entitled to a settlement, but fraudulent claims are destroying this country.

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I have talked to people in the past week whose insurance premiums have gone from €18,000 to €50,000. Businesses cannot afford this. One insurance company with which I deal offered a voucher back to its customers in the amount of €35. What use is that to businesses that are paying thousands of euro for insurance every year?

There are steps we can take, including the bill of quantum, this Bill or whatever else ought to be done. I understand that the Minister of State, Deputy Fleming, is going to become involved in this matter. We must make sure that the levels of settlement are brought back or we will not have jobs in the country for the simple reason that businesses will not be able to employ people.

I have seen time and again incidents where it seems as if an injured party is making the most out of it. I spoke to a reputable doctor two days ago. He told me that he had three or four cases where he examined people. He told the different bodies that the person in question was entitled to no money in his opinion and nobody ever came back to him. He does not know whether the claimant was paid. He does not know what happened. Are the insurance companies interested in following this up? Are they interested in employing personal investigators or whatever they need to do to ensure that claims are checked out to the last? Would they rather just screw the business people of this country and make sure that they keep paying?

Insurance policies for marts have increased, as they have for businesses throughout the country. Premiums cannot be allowed just to rise and rise because businesses will not survive.

I welcome this Bill and the Labour Party amendment. Regardless of politics, we must work together. This is about employment, businesses and the difference between the next generation in this country having work and not having it. Employers are being screwed with insurance premiums. They are throwing their hands up in the air as they look at people with sore backs, necks, whiplash and every single excuse that can be made up. I do not think that is acceptable and we must get tough on it.

**Minister of State at the Department of Justice and Equality (Deputy Charlie McConalogue):** I thank the Regional Group for bringing this motion before the House and facilitating a debate on the matter. It has provided an opportunity for the Minister and me to outline the Government's position and support for this motion. I thank all of the Members who have spoken for their contributions and I know that the Minister and the Government are grateful that this Bill has such a high level of cross-party support.

The motion before us calls for the immediate establishment of the Select Committee on Justice and that the Committee Stage of the Perjury and Related Offences Bill 2018 be the first item of business on the agenda for that committee. Notwithstanding the strong Government support for this Bill, reflected in its restoration to the Dáil Order Paper as a Government Bill this week, this House will note that the establishment of select committees is a matter for the House at large and not a function of the Government. The scheduling of business in any given select committee is a matter for the committee and not one in which the Government has a function.

Having said that, this House can rest assured, as the Minister said earlier, that the Government is committed to progressing this Bill to enactment as soon as may be practicable. I would like to think that the House is largely as one on this issue and that we all wish to see the offence of perjury and its related offences placed on a statutory footing as soon as possible.

Of course, this Bill must be subject to the rigorous level of legal scrutiny that applies to any Government Bill so that there are no unintended consequences and that it is fit for purpose upon

enactment. To that end, I understand from the Minister that officials in her Department have consulted other Departments and are liaising with the office of the Attorney General to ensure that the Bill is legally robust and technically sound in meeting its objectives.

Deputies are aware that the programme for Government makes a firm commitment to enacting this legislation. The degree of Government commitment to this Bill is underscored by the fact that the Minister intends to be in a position to bring this Bill to Committee Stage in the House in the autumn session so that it may be enacted before the end of the year. The law on perjury in this country needs to be addressed and updated, and the Government is very much committed to doing so.

Unlike the United Kingdom and many other countries, Ireland does not have a modern, statute-based offence of perjury. There are two laws on the Statute Book that mention perjury in their Title and they date back to 1586 and 1729. There was a perjury Act passed by the British Parliament in 1911, but it was never enacted here after independence. There is a clear case to be made that the law on perjury needs to be updated and consolidated in this country so that we can have a clear legal framework to assist criminal justice and law enforcement authorities to do their jobs more effectively when offences of this nature are committed.

The intention of this Bill is to provide for perjury in all of its forms, whether in judicial or other proceedings as defined in section 1, relating to false statements made on oath otherwise than in judicial or other proceedings, or relating to false statutory declarations or false statements and declarations made without oath that may be required under any relevant Act. Furthermore, this Bill provides for the offences of subordination and fabrication of evidence. Simply put, if a person makes a statement or provides information on oath in respect of any statutory instrument that is false and that he or she knows to be untrue, then he or she may be liable to be prosecuted under this legislation.

Codifying the offence of perjury for the first time in this State will be an act of historical import. I wish to acknowledge, therefore, the immense contribution of former Senator Pádraig Ó Céidigh as the principal sponsor of this Bill in introducing it to the Seanad as a Private Members' Bill just under two years ago. I also acknowledge the important contributions of his co-sponsors of this Bill in the Seanad - Senators Boyhan and McDowell, and former Senator Ian Marshall. The former Minister for Justice and Equality, Deputy Flanagan, also deserves much credit for working collaboratively with former Senator Ó Céidigh in passing the Bill in the Seanad and moving it as a Government Bill in the Dáil. They have all done the State a great service in getting us to this point. I am confident that this historic Bill, when enacted, will go a long way towards counteracting all forms of malicious and deliberate dishonest conduct across legal and other official proceedings.

I wish to reaffirm the Government's commitment to the Bill and its early enactment. I wish to place on the record of the House the Government's support for the motion and attest to the willingness of the Government and Ministers to progress the Bill to enactment as soon as possible. I am pleased to place on the record of the House the gratitude of the Government for the Regional Group for bringing the motion forward.

I have no difficulty in supporting the Labour Party's amendment to the motion which calls for the inclusion of the Harassment, Harmful Communications and Related Offences Bill 2017 and the Perjury and Related Offences Bill 2018 as priority and first items of proposed legislation to be scheduled by the newly-established select committee on justice. As we know, it is

usually a matter for a new committee to consider what its work programme should be.

The House will be aware that enacting the Bill is a commitment in the programme for Government. I understand amendments are being drafted so the Minister may be in a position to move them on Committee Stage in the autumn session. There has been very constructive engagement with the Labour Party on this Bill and I acknowledge the efforts of Deputy Howlin and his party colleagues in presenting the Bill to the Dáil for consideration. We are all grateful to them for doing so. That being said, Members will appreciate that the scheduling of select committee business is not a function of the Government. We are happy to lend our support to the amendment nonetheless.

**Deputy Peadar Tóibín:** Tá cúig nóiméad agam agus táim ag roinnt an ama sin leis an Teachta Naughten. Gabhaim míle buíochas le mo chomhghleacaithe sa Ghrúpa Réigiúnach as an mBille seo a chur os comhair na Dála. Gabhaim míle buíochas leis an iarSheanadóir, Pádraig Ó Céidigh, a chum an Bille seo, agus le Cáit Nic Amhlaidh as an gcabhair a thug sí dó. Is Bille an-tábhachtach é gan dabht.

I thank Ms Linda Murray who owns a small business in my home town of Navan. She is one of the many businesspeople throughout the country who have been forced over the past five or ten years to become campaigners in their particular sector. Businesspeople are busy. Ms Murray is a mother and had no intent or interest in getting involved in any level of campaigning. However, she found herself in a simple situation. She was running a good business but saw her insurance costs spiral from €2,000 per year to about €16,000 per year within a short period of time. She had no option but to start to make a case for people like her around the country.

What is happening in Ireland is incredible. Ms Murray has told me about sectors, especially those dealing with children, which are in bits. She is a representative for the soft play area sector which, thankfully, has managed to find an insurer. Many other businesses have already gone to the wall. Businesses that have never had a single claim are now being refused insurance by insurance companies. Businesses which are operating in the same sector as those in Britain, and are being insured by the same companies in Britain, are being refused insurance or have seen their insurance costs jacked up while their British counterparts have not experienced that in any way.

The insurance costs for one soft play business increased from €50,000 to €150,000 within a short period of time. Some insurance companies have said that anything to do with children will be obsolete in the future because of insurance. Irish dancing classes, football, hurling, etc., will be affected. The leisure industry is stuffed. It is incredible that swathes of our society are in danger of closure or being unable to function in the future because of the massive dysfunction that exists within insurance companies in Ireland. I will be straight. Reform of this dysfunctional sector has been glacial.

The European Commission and the Competition and Consumer Protection Commission felt it necessary to investigate the insurance industry in Ireland. The Central Bank issued a report on the insurance industry in Ireland. In all of this time, very little has happened from a Government perspective. This is a highly profitable sector. A couple of years ago it made hundreds of millions of euro by fleecing Irish people up and down the country. However, that dysfunction has not been tackled.

There are a number of major problems. High legal fees are an issue. I know of an insur-

ance case where the claim was €6,000, but the legal fees for the case were €26,000. We also know that this incentivises the insurance industry. I was involved in a car crash about two years ago when a drunk driver smashed into our people carrier. There were six of us in the car and we were shunted back about ten yards. We received head injuries, bruises and cuts. I spoke to a solicitor who told me he could get €10,000 for each of us in the car and we would not even have to turn up in court. I was raised with the idea that claiming money to which one was not entitled was bad money, and one should not do that because there was a cost and somebody somewhere would have to pay. We did not proceed with a case. The fact of the matter is that there are claims right across the country.

There is also the idea of a duty of care. People can go into a nightclub half cut, can slip and fall and then make a large claim. People can jump on the back of a truck, hitch a ride, fall off and sue the individual who is driving the truck. So much is wrong. This motion focuses on one element of this. Some Deputies stated that the motion may not have a big effect. A person will think long and hard before he or she perjures himself or herself in a court case in the future because of the penalty in the Bill. It would be interesting if we brought about such a law for Deputies in the House.

**Deputy Denis Naughten:** Yesterday, the 2020 long list for the Booker Prize for fiction was published. Sadly, some affidavits that go before the courts would be in competition for the prize. This has implications, particularly for young people looking for car insurance and many small businesses across the country.

We are not claiming that the Bill is a panacea for all of the ills in the insurance industry, and have never promised that it is. However, it will put it up to the insurance industry because it cannot say that there are a plethora of fraudulent claims when there is a clear piece of legislation under which people can be directly prosecuted. It will be a case of put up or shut up for the insurance industry.

This is not just about insurance. Rather, it is about people literally getting away with murder. It is about consumers and businesses losing money due to white-collar crime. It concerns family law matters which have, in some cases, very serious consequences. It involves false declarations to obtain registration for the carrying out of a vocation or profession, in particular medical registrations, an issue I have raised in the House and which came before the courts quite recently in a case where a person claimed to be a medical professional.

People need to remember that the courts are a very formal process and should be a point of last resort. If someone gives evidence in court, that can have very serious consequences for other people. Today, evidence given in court can result in a person losing his or her liberty, and in the civil courts can result in a person having a significant award of damages made against him or her.

Evidence given under oath in court can have significant consequences. That is why it is always important to recognise if someone is wrong and is telling lies, and prosecute them for that. I want to thank former Senator, Pádraig Ó Céidigh, agus Cáit Nic Amhlaoibh for their efforts on this legislation. I also want to put on record that Deputies from the Regional Group are supportive of the amendment tabled by the Labour Party on online bullying. It is equally important that we send out a clear message on that. Every single one of us in this House has been the victim of online bullying, sometimes under the guise of political debate. A clear message needs to be sent out in that area and we will support that.

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This Bill is about sending out a clear statement in terms of the definition of perjury. To perjure one's self is, first, to make a statement, either verbally or in writing, that has been lawfully sworn and the person so swearing it knows it is false. The second condition is that that statement must have a material impact on the proceedings before the court. Those two tests provide a huge level of protection but they also ensure there is a clear, unambiguous definition on the issue of perjury.

I thank the Aire agus an tAire Stáit for their commitment to both pieces of legislation and I hope this legislation will be expedited. As a member of the Business Committee, I will work to ensure this committee is established as quickly as possible. I hope all colleagues here who are members of that committee ensure this legislation, along with the commitments of the Ministers, is expedited and enacted as quickly as possible.

Amendment agreed to.

Motion, as amended, agreed to.

**An Ceann Comhairle:** Is it not great to be heading towards the end of term with such an outbreak of collegiality? Well done to all involved in this initiative.

### **Teachtaireacht ón Seanad - Message from Seanad**

**An Ceann Comhairle:** Seanad Éireann has passed the Social Welfare (Covid-19) (Amendment) Bill 2020 without amendment.

### **Saincheisteanna Tráthúla - Topical Issue Debate**

#### **Urban Regeneration and Development Fund**

**Deputy David Cullinane:** I am delighted this matter is being taken in the last week of the Dáil session because a decision will have to be made quickly on this important development. It is an iconic development on the North Quays of Waterford. Anyone who is familiar with Waterford will know the South Quays is where most of the development is. The North Quays has been underdeveloped for a long number of years. It provides a tremendous opportunity for positive development and there is a plan to transform the North Quays that, in turn, will transform the heart of Waterford city but also the south-east region.

Investors are prepared to put hundreds of millions of euro on the table to make sure this project is delivered. It will involve a hotel, office accommodation, high-quality accommodation and retail. It must include, and hopefully will include, the relocation of the train station in Waterford city to the North Quays.

I am disappointed the Minister for Housing, Planning and Local Government is not here

because he hosted a meeting last week in his office with all Oireachtas Members with the exception of myself. He took that decision because he said he was only going to meet with, as he put it, or as the local Fianna Fáil Deputy put it, representatives of the Government and those who support the Government. Of the five Oireachtas Members in Waterford, I was the only one not present at the meeting, not by choice, but because I was excluded from the meeting which was unfortunate.

Having said that, I raised this issue on the floor of the Dáil with the Taoiseach several weeks ago and asked him to raise this with the Minister for Public Expenditure and Reform and, indeed, with the Minister for Housing, Planning and Local Government. The funding for this project must come from the urban regeneration and development fund.

The Minister of State is from the south-east region and he will be aware of the iconic nature and importance of this development, not just for Waterford and the south-east region, but also the fact that the ask on the State side and the need for funding from the Government has been on the table for years. This development was put forward several years ago. It is strategic development zone, as the Minister of State will be aware. The ask from the Government side is more than €100 million. It is significant investment but it is obviously an investment that needs to happen if we are serious about Waterford being a gateway city and the driver of economic growth, which it can be, needs to be and is for the entire south-east region.

When will a decision be made to ensure all the funding which is necessary to deliver this project is granted by the Government? A letter of comfort was given to those Oireachtas Members who were at the meeting held by the Minister for Housing, Planning and Local Government last week where he said the Cabinet will make a decision when it comes back in September. Will that decision be the entire quantum of money which is needed? The developers are looking for funding certainty. They have put an awful lot of work into the planning application, the design and into this project. It cannot be a missed opportunity. It is hugely important that this funding is forthcoming. Without that funding from the Government the project does not happen and it cannot be let slip.

Will the Minister of State who is present give a commitment that when the Cabinet discusses this issue, it is the full quantum of money that will be either agreed or not agreed, and that this project can have the funding certainty it needs?

**Minister of State at the Department of Culture, Heritage and the Gaeltacht (Deputy Malcolm Noonan):** I thank Deputy Cullinane for raising the matter. I am fully aware that it is an important project for the south-east region and not just for Waterford city.

The North Quays was subject of a strategic development zone, SDZ, order made by Government recognising the social and economic importance of the site to the State, and designating the Waterford North Quays for mixed-use development, subject to the preparation of an SDZ planning scheme, which has been done.

The national planning framework, launched in February 2018 as part of Project Ireland 2040, includes objectives to achieve both more compact urban growth within Ireland's cities and the significant further development of Waterford city. The urban regeneration and development fund is a flagship element of Project Ireland 2040.

Under the stewardship of the Department of Housing, Planning and Local Government, the fund was established to support more compact and sustainable urban development, through the

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regeneration and rejuvenation of Ireland's five cities and other large towns, in line with the objectives of the national planning framework and national development plan. This is to enable a greater proportion of residential and mixed-use development to be delivered within the existing built-up footprints of our cities and towns and to ensure that more parts of our urban areas can become attractive and vibrant places in which people choose to live and work, as well as invest in and visit.

As part of the first call for proposals under the URDF Waterford City and County Council submitted a bid for Exchequer grant funding in respect of a major multifaceted proposal for the North Quays in Waterford. It is intended that the proposed largely transport-focused infrastructural works will open up the North Quays site, making it more accessible, and ultimately supporting the achievement of the broader objectives of the SDZ planning scheme.

On 26 November 2018, the then Minister for Housing, Planning and Local Government announced initial URDF supports of €100 million for a total of 88 projects across the country, including €6 million of initial support for the Waterford North Quays proposal. Furthermore, in June 2019, URDF support of €30 million was ring-fenced in respect of the advancement of the overall North Quays proposal, pending further clarification of the project detail.

The URDF support of the North Quays project, as with all other successful URDF proposals, is approved in principle subject to appropriate appraisal, and justification and advancement in accordance with the public spending code and other conditions appropriate to the approval of very high cost projects under Project Ireland 2040, including the requirements for a cost-benefit analysis of the project to be carried out.

*11 o'clock*

Since June of last year our Department has been working with Waterford City and County Council with a view to assisting in its advancement and development of the appropriate appraisal of this high-value and complex project to meet the requirements of the public spending code. In that context, on 30 June the council submitted an updated economic and cost-benefit appraisal of its proposals, and this must now be considered by our Department in consultation with the Department of Public Expenditure and Reform before a recommendation on further whole-project URDF support can be considered.

Our Department has already recouped €5.7 million in respect of costs incurred by Waterford City and County Council on the planning and development of this project, and further funding will be made available as the project advances through its various stages of development.

**Deputy David Cullinane:** The Minister of State's response is a bit disappointing because there is nothing new in this that was not included in responses to parliamentary questions by anyone who has been raising this issue in recent years, except from the part stating that a new economic appraisal was submitted by the council which is now being evaluated. I do not know how many evaluations, economic or otherwise this project has had. I know there is deep frustration by those involved locally, including those on the council, that time and again this seems to be subject to economic appraisal, assessment and review. The people want delivery, and those looking to invest in this project in Waterford city want certainty that the funding will be forthcoming.

It does not even chime with what I call the letter of comfort that was given to Oireachtas

Members from Waterford this week. It still states that only €30 million has been ring-fenced, which is welcome but a long way short of the overall quantum of money that is needed. I know that part of the transport element of the funding will come from elsewhere. However, between €65 million and €70 million will be required from the urban regeneration and development fund if this project is to go ahead.

I welcome that it references the transport element of it. I spoke to the Green Party leader, Deputy Eamon Ryan, on this. The Minister of State, Deputy Noonan, knows the train station in Waterford as well as anyone else in this Chamber. It is in the wrong location. It would be fantastic and a game-changer if that train station was moved over to the North Quays. However, we do not need more reviews and appraisals; we need the money. Now is the time to show us the money and deliver this project to ensure that for once and for all Waterford and the south east get certainty rather than, time and again, announcements that are not followed through with the money that is necessary.

**Deputy Malcolm Noonan:** I agree with the Deputy entirely on the train station. I am very familiar with it and strategically its location is wrong for the future advancement of Waterford city.

The Waterford North Quays project is a very complex and high-cost project in a strategic development zone, SDZ. Therefore, it is critical that careful consideration is given to its planning and development, and the establishment of the correct combination of supports required to facilitate successful advancement and completion or the right blend of interventions that will contribute to the achievement of the broader objectives of the SDZ.

Following Waterford City and County Council's recent submission of an updated economic cost-benefit appraisal of its proposals, our Department can continue its work in consultation with colleagues in the Department of Public Expenditure and Reform on evaluating the council's justification of the proposed project composition cost, sequencing, and requested RDF funding support.

There has been a significantly changed environment in recent months and it is important that the robustness of the cost-benefit appraisal stands up from a public spending point of view. That is why we are ensuring we get the right blend here.

## **Water Supply**

**Deputy Mattie McGrath:** Ar an gcéad dul síos, gabhaim buíochas leis an gCeann Comhairle agus na daoine atá ag obair ina oifig for facilitating the selection of this Topical Issue matter.

We do not want to see another children's hospital saga. We in Tipperary are proud people and we are not anti-Dublin, but we think this project is daft. I thank Liam Minihan of Fight the Pipe campaign and I thank Independent councillor, Séamie Morris, and Emma Kennedy for her excellent report and analysis on this. Media reports have indicated that the cost of the project will exceed Irish Water's estimate of €1.3 billion in the national development plan and it is waiting for the tender document to come in.

I am disappointed that the Minister for Housing, Planning and Local Government is not

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here. This is no disrespect to the Minister of State, and I wish him well in his new portfolio. As a Green Party Minister of State, I hope he will look at this and accept that it involves too much interruption to our landscape, going through people's lands, affecting the flora and fauna and all the different issues. He might get some of his colleagues in the Green Party who are serial objectors to object to this because it is daft.

The first thing that should be done is fix the leaky pipes. Of every litre of water that goes into the pipework in Dublin, 57% leaks before it gets to the houses or businesses. Some Third World countries, such as India, have had major investment in fixing leaks and they are able to do it, but we cannot do it in Ireland. I am told that Irish Water is all but bust. Many projects throughout the country, whether they be water and sewerage schemes or providing water supply to areas that need new borewells, cannot proceed. Irish Water has not got a cent. It was in serious financial difficulty even before the Covid crisis.

We are going into this project as we went into the children's hospital project - blindfolded, hands behind our backs, gagged and everything else. The original cost for the children's hospital was €400 million and it is now approaching €3 billion. The original cost for this project was €1.3 billion. I can guarantee it will not be done for €2 billion and to do what? - to pump water from Tipperary all the way to Dublin, through your county, a Cheann Comhairle.

There will be serious pressure on this new pipeline. I could walk inside the pipe which has an enormous diameter. Imagine the pressure and the valves unable to slow down that pressure as they feed into a faulty weak disintegrated pipe system in Dublin with old pipes, lead, asbestos and you name it. There will be water breaks all over the place. It will be like someone dropped some kind of a bomb on the city.

I appeal to the Minister of State to stop this madness before it goes ahead. I salute the people who are opposed to this, not because they are anti-Dublin. I come from Tipperary, a county rich in resources. We also have many borewells. The entire town of Clonmel is supplied by mountain streams and borewells. Every other town and village, and most farms and private houses are supplied by borewells. Dublin must be the same and as is Wicklow, which is not far out the road. There are plenty of resources there to get this water locally. It is a fantasy project by the previous Government and fantasies are not good. The Government will need to make a U-turn on this before it is too late.

Why does Irish Water not consider desalination of seawater? Surely the new Government can be innovative with its new ideas and green energies. It is telling us all to retrofit houses, and do this, that and everything else. Why does it not examine this? It should stop this pipe now. Compulsory purchase orders, CPOs, and notices to treat will be issued. The land will never be the same again. There are problems whenever there is that kind of major excavation of the land. It is fine when a road is made because the road is made compacted, but the pipe will always keep sinking through the land. There will be considerable damage to the flora and fauna, and to the rich heritage in the lands it goes through.

I appeal to the Minister of State to use his muscle in this Government and show cause and have a proper investigation, taking into account the Kennedy analysis.

**Deputy Malcolm Noonan:** I thank Deputy Mattie McGrath for putting his points so well. Since 1 January 2014, Irish Water has had statutory responsibility for all aspects of water services planning, delivery and operation at national, regional and local level. Irish Water as a

single national water services authority takes a strategic, nationwide approach to asset planning and investment.

Existing water supply sources and infrastructure for the eastern and midlands region do not have the capacity or resilience to meet present or future requirements in a sustainable way. In the greater Dublin area, some 82% of the water supply comes from the River Liffey. Some 40% to 45% of the total volume of the Liffey is abstracted to meet water supply needs, which is unsustainable. The level of dependency on this one source also gives rise to real concerns regarding the security of the water supply for the region.

A significant new water source is needed. As well as securing a reliable supply for the greater Dublin area, Irish Water's proposals to supply the eastern and midlands region will enable the provision of treated water to communities in north Tipperary, Offaly, Laois, Westmeath, Kildare, Meath and Wicklow. It would represent the biggest investment in Ireland's water infrastructure in more than 60 years.

This major project is still at the pre-planning stage of development. Once planning is secured and design of the final scheme is complete, detailed costs for this project will be made available on completion of the tender process, in accordance with the public spending code. A preliminary design project cost estimate, which will be an input to the cost-benefit analysis, is scheduled to be published in 2021. Irish Water will be required to outline its position on the project's funding model and how it will ensure value for money in its efficient, effective and timely delivery to my Department. Given the scale of the project, it will also require sign-off by Government at key stages of project development in accordance with the public spending code.

As background, I should state that Irish Water delivers its services in accordance with its statutory water services strategic plan, published in October 2015. This sets out a high-level strategy over 25 years to ensure the provision of clean and safe drinking water, the effective management of waste water, environmental protection and support for economic and social development. Beneath that plan, Irish Water's funding plan for the period from 2019 to 2024 sets out a multi-annual strategic funding requirement of €11 billion to 2024. This comprises a €6.1 billion investment in infrastructure and assets and €4.9 billion in operating costs. This significant multibillion euro investment is being made to ensure the continued operation, repair and upgrading of the country's water and waste water infrastructure to support social and economic development across the State and continued care of the water environment. It is strategically important for the future development of the country. We cannot meet our housing needs. As was proven by the hosepipe bans earlier this year, a secure and safe supply of water is vital. This requires us to look at all options to provide water for the country.

**Deputy Mattie McGrath:** I am disappointed that the Minister of State has not given a cast-iron guarantee that all avenues will be explored, given that he is a member of the Green Party. I will repeat that we are not anti-Dublin or anti-development but almost every town and village in my county is at capacity with regard to waste water treatment, although some of the major towns are okay. Many have water shortages during dry summers. It is not so dry this summer but we still had a hosepipe ban despite all the rain in February. This is, as I have described it, a fantasy project. It will cost too much money. In addition to putting pressure on pipes that are already leaky, causing extra leaks, there is also the matter of all kinds of unsavoury substances such as tar leaching and seeping back into the pipes while repairs are being done. This is reckless.

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I am sure there are many hotels and private enterprises in Dublin city that have had boreholes in their back gardens and backyards for a half a century or more. It is not true that the Liffey is the only source we can use. We have borewells all over the country so why not have them here? There is also the reservoir out in Blessington. We should also look at desalinisation of our seawater. Many other countries do this.

Irish Water is penniless and broke because the Government decided to do away with water charges. I know the value of water and how much it costs to produce. We all accept that. This is a fantasy project and other projects will be set back by decades if it goes ahead. It is not too late to stop this. We let the children's hospital become the big black hole it is now. This will be a long black hole right from Tipperary through Offaly and Kildare and on to Dublin. It will destroy other projects for decades to come. I ask the Minister of State, as a member of the Green Party, to stop this madness which will have an effect on ecology, land masses, farmers and people who want to carry on their business uninterrupted.

**Deputy Malcolm Noonan:** The delivery of the Shannon water supply project is a key strategic investment priority for Irish Water under the National Development Plan 2018-2027. The cost of the project will be identified and updated throughout the project development process in line with the procedures of the new public spending code, which seeks to address some of the cost estimation issues that arose in respect of the children's hospital.

This project is needed to address the capacity issues in the region, to support jobs in the economy, to address climate change and to ensure the supply is fit for purpose and can withstand extreme weather such as droughts and storms. It will enable the provision of treated water to communities in north Tipperary, Offaly, Laois, Westmeath, Kildare, Meath and Wicklow in addition to Dublin.

I take on board the point Deputy Mattie McGrath made so well with regard to going after water that is unaccounted for. It is vital that significant investment is made in going after unaccounted-for water in the greater Dublin area. The ambition in that regard needs to be really significant. Having had conversations and discussions with Irish Water, I know it is also important to look at groundwater abstraction and sources of water other than rivers. This is, however, a strategically important project.

There will be plenty of opportunity for all views on the project to be heard as it is developed and undergoes the various consent procedures. There will be a public element and a public consultation. That is the correct and proper forum to voice the public's concerns and any other general issues associated with this key strategic project.

## **Insurance Industry**

**Deputy Alan Dillon:** I raise a Topical Issue matter relating to the difficulties facing insurance policyholders with regard to claims arising from business interruption. I can speak of two serious cases that have been brought to my attention by local retailers in recent weeks - and I am sure there are many more nationally - in which claims under business interruption cover were refused despite very clear wording in the policy documents.

Our way of life changed earlier this year with the onset of Covid-19 but the Irish public and our entrepreneurs held firm and rose to the challenge. We witnessed Ireland's community spirit

come to the fore. There is an old tradition of the meitheal in Mayo. This is a fondly cherished rural tradition of neighbours coming together to save hay, cut turf and help others in times of need. I speak of the meitheal tradition because the community knows that, in the long run, everyone benefits from working together. It would be wise for insurers engaging in delay tactics when dealing with business interruption claims to think on the issues long and hard as things may go against them.

Uncertainty and fear lay ahead when the integrity of our businesses was challenged. Naturally, small business owners up and down the country checked their insurance policies to see what was indemnified under business interruption cover and what exclusion clauses applied. Many breathed a sigh of relief on reading phrases in their policies which included very clear language about infectious diseases. It looked like the insurers would be there for them. There were phrases suggesting that, in the case of closure, businesses would be covered against loss of profits.

I am sorry, Ceann Comhairle. I have a headache. I apologise.

**An Ceann Comhairle:** Not to worry. I think the Deputy's points are understood. I call on the Minister of State, Deputy Fleming. I believe this is the first chance we have had to engage with him since his appointment. I heartily congratulate him and wish him success in the role he has taken on.

**Minister of State at the Department of Finance (Deputy Sean Fleming):** Go raibh míle maith agat, a Cheann Comhairle. I thank Deputy Dillon for raising this matter. In his contribution, he outlined the importance of the issue of insurance cover during the Covid-19 pandemic and the difficulties people are experiencing with many of the insurance companies upon which we have relied over many decades. This is an issue which is cropping up all over Ireland. He has highlighted some particular issues with regard to the retail sector. What he has said about towns in Mayo is reflected across every town, village and city in the country.

I am aware that there have been many concerns expressed about how the insurance industry is responding to the needs of its policyholders in these difficult times, including with regard to honouring business interruption claims. The Government has been fully engaged with the sector on insurance matters since taking up office and will continue to be so engaged. However, I have to be straight, fair and upfront; what the Government can do and what it cannot do is clear. Neither the Minister for Finance, myself as Minister of State with responsibility for insurance nor the Central Bank can direct or require that insurers cover particular claims, including those resulting from infectious diseases such as Covid-19. Furthermore, it is not a matter for the Government or Central Bank to adjudicate on the validity of such individual claims.

Having said that, whether a business can make a claim in respect of loss of earnings because of closure due to Covid-19 depends on the specifics of its policy. I understand that many businesses do not routinely have infectious diseases covered as part of their policies. In addition, many of those with such cover only cater for a schedule of listed diseases, and if such diseases manifest themselves on or in the proximity of the insured premises. Even in the case where infectious diseases such as Covid-19 are covered, there may be other considerations that will influence the decision of an insurer to pay a claim or not. It is important therefore for businesses to engage directly with the insurance broker on this matter.

Where a business believes that an insurer has incorrectly rejected a claim, it should either

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consider referring the matter to the Financial Services Ombudsman, FSPO, for adjudication or, where the claim is in excess of the FSPO €3 million limit, it may wish to consider legal action. We know many small businesses would find that very difficult but I understand that this is already happening in a number of cases.

Notwithstanding what I said at the outset, the Government has engaged with the sector and we have made it clear that insurers should not attempt to reject business interruption claims on the basis of interpreting policies to their own advantage. The Minister for Finance, Deputy Donohoe, following on from correspondence with Insurance Ireland in March, held a teleconference with it on 17 April where he reiterated that some insurers, by adopting a blanket rejection of all business interruption claims, were doing the industry significant reputational damage and were not treating customers fairly.

It should be noted that the Central Bank has also been directly engaging with insurers on business interruption claims and as a first step, wrote to the CEOs of all the major insurance companies in Ireland. The Department of Finance has kept in touch with the Central Bank on this matter and in a call last week, it indicated that it is doing everything within its power to ensure that insurers comply with their legal obligations in relation to business interruption. In this regard, it is undertaking a programme of supervision and engagement with the larger insurance firms to ascertain their approach to dealing with specific elements of Covid-19, including business interruption claims. The Central Bank has indicated that this is a very significant role for it.

The Deputy should also note that the Minister, Deputy Donohoe, and I met earlier today with Insurance Ireland to discuss a range of insurance issues, and business interruption formed a significant part of the discussions.

**An Ceann Comhairle:** I thank the Minister of State. Does Deputy Dillon wish to comment further or does he want to engage privately with the Minister?

**Deputy Alan Dillon:** I will continue. I thank the Minister for providing an update tonight for the business owners who genuinely feel let down by insurance products that they thought they could rely on. In any case, it remains the case that retailers continue to be distracted by something they feel should be straightforward and takes away from them getting their business operating to the best of their abilities in the new normal. They have adapted to the challenges. However, it is unfortunate that some of the responses I have seen to date from insurers of business owners make much less sense than the wording itself.

I know the Central Bank of Ireland is actively supervising insurance companies and the responses arising from Covid-19. It seems that there are cases where the ambiguity is not favourable to the customer and those cases still need to be answered. In addition, I would appreciate if the Minister of State could outline what engagement the Department has had with insurance companies since the outbreak of Covid-19 and if there has been any specific dialogue on business interruption cover.

**Deputy Sean Fleming:** I thank Deputy Dillon for coming back with a specific question about the action that has been taken. The programme for Government has highlighted this issue as a key matter to be dealt with by the incoming Government. Already, there has been a meeting involving four senior Cabinet Ministers and the Minister of State, Deputy Troy, and I with representatives of small businesses. We met face to face with Insurance Ireland today, which is

the representative body of the insurance companies and we agreed that there will be a meeting in September with it and several Cabinet Ministers to discuss this issue.

There is a case ongoing with the Financial Conduct Authority in the UK on this exact point. We believe that due to the similarity in our legal systems and insurance policies this could have a significant impact when the matter is decided in the UK courts.

The Central Bank does have a role and it is examining the issue at the moment. From the outset, we considered this primarily as a business issue that needs to be dealt with based on a straightforward business approach. If people believe they had a proper policy, which specifically listed various diseases, this should be interpreted as broadly as possible.

Furthermore, I know it may be difficult for some businesses seeking to reopen when they have this hanging over them but I ask the Deputy to highlight to the businesses in his constituency that the Government has made a number of other supports available to the small businesses to which he referred in the July jobs stimulus. I ask the Deputy to engage with his constituents directly on the 50 other avenues that form part of the July stimulus which may help the businesses he is concerned about to get firmly back on their feet as quickly as possible, notwithstanding the fact that the insurance issue is an ongoing one that is not fully resolved to our satisfaction to date. I will keep in touch with the Deputy on this matter.

## **Forestry Sector**

**Deputy Michael Moynihan:** Thank you, a Cheann Comhairle, for the opportunity to raise this important issue on the floor of the Dáil. I take this opportunity to congratulate Deputy Callery on his appointment as Minister for Agriculture, Food and the Marine and I wish him every success. As the Minister of State, Deputy Fleming, is here as well I offer my congratulations to him and wish him well in his role also.

I raise the issue of the forestry sector. By and large, there is just one serial objector to a range of issues relating to forestry, from plantation, to felling and access roads for felling and that has brought the forestry industry and afforestation to a halt. We have heard many fine words about the need for further afforestation. I have had dealings with some companies that are trying to get planting licences, felling licences and road licences and they are at breaking point. The industry has almost been brought to a halt, as well as the ancillary industries that depend on afforestation. Many farmers were looking at planting earlier this year during the planting season but they have been affected as well.

I wish to bring a letter from one of the companies to the attention of the Dáil. It was in contact with me in connection with an application that was made by a private landowner who wanted to get approval for forestry in a townland in County Cork. The company has been experiencing a very difficult time in business due to the crisis in licensing within the Forestry Service. The company has currently approximately 134 afforestation applications totalling 11,035 ha., 30 forest road applications and more than 60 felling licence applications with the Forestry Service. Some of these files are with the Forestry Service since 2018. The Forestry Service currently has 1,800 files in the ecology department and 33 files are being referred to it every week. The Forestry Service is reported to be employing seven new ecologists and hiring new outside ecologists. The company has been advised by the Forestry Service that applications with ecology reports with Natura impact statements, NIS, will get priority within the Depart-

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ment, but we were informed this week that when the Forestry Service recruits seven ecologists the felling licence applications will get priority and leave people like my constituent waiting for approval without a timeframe for when he can expect to get his land planted. The company has spent over €20,000 on NIS reports, on the advice of the Forestry Service that applications with NIS reports would get priority. To date, the company has not received any approval of the files it submitted with NIS reports. It makes no sense to ask applicants to carry out these reports, sometimes at a cost of over €1,000, submit them to the Forestry Service and then wait for the overworked ecology department to examine every file, leading to further delay. The company believes the best solution to the current difficulties in the Forestry Service is to recruit 15 outside ecologists for a six month period to clear the backlog of files awaiting approval.

That is a sensible suggestion and there should be an attempt made by the Department to get extra help because of the delay in getting these licences through the Department.

**Minister for Agriculture, Food and the Marine (Deputy Dara Calleary):** I thank Deputy Moynihan for raising this very important issue. Many Members of both Houses have been raising it with me. Along with the Minister of State, Senator Hackett, who has direct responsibility for forestry, I brought a memo to Government earlier this week proposing a number of initiatives for the forestry sector with a particular emphasis on licensing issues. These initiatives implement some of the commitments in the programme for Government on forestry. Their early consideration reflects the importance we attach to that sector's contribution to our rural economy and to the Government's environmental priorities. On foot of this memo the Government has approved the drafting of an amendment to the Agriculture Appeals Act 2001 to align the forestry licensing and appeals process in the planning process. We have agreed the announcement of a new scheme for the creation of native woodlands on State and other public lands. We have agreed the appointment of an independent chair, to be identified, to lead the implementation of the McKinnon report and we have agreed to develop a portal to help enhance public participation in forestry decision-making. We have identified as a priority the drafting of legislation to align the licensing and appeals process and we are keen to get all stakeholder views on this in advance of its consideration by the Oireachtas after the summer. This draft Bill will be published on Friday and we encourage engagement by all stakeholders and by the public with these proposals before their presentation to the Oireachtas.

My Department is the planning and consenting authority for forestry licensing. The commencement of the Forestry Act 2014 in May 2017 brought about significant changes in the consent process for forestry operations. Licences are required for afforestation, forest road construction and for tree felling. All licences must be issued in compliance with EU and national environmental legislation. The Act also made provision for third party submissions and established the forestry appeals committee. Recent case law from the Court of Justice of the European Union, CJEU, and its subsequent interpretation by the High Court, as well as decisions by the forestry appeals committee and others have required my Department to introduce new appropriate assessment procedures for forestry licensing. Appropriate assessment, AA, procedures are site-specific analyses required under the EU Habitats Directive and must be completed before a licence can be issued. The assessment is to judge whether the proposed forestry operation will significantly impact any designated Natura site.

The changes now in process are very significant but unavoidable and have led to delays in the issuing of licences, as Deputy Moynihan has described, because most files now require second stage appropriate assessment. To give the House an idea of the scale, my Department received some 6,000 licence applications in 2019 between felling, afforestation and roads. Fell-

ing licences are now valid for up to ten years and may cover several felling events such as thinning and clear-felling on the same plot. Landowners considering future operations have the opportunity of applying for a tree felling licence well in advance of any operation taking place. Afforestation licences are valid for three years.

My Department is intensively engaging with all relevant stakeholders on these issues and one such meeting took place this morning. I accept the current changes to procedures are very significant. Their scope and breadth is such that they have been challenging to implement. This has unfortunately meant that the current backlog and slowdown in licensing has arisen. It has taken substantial resources and effort to introduce a robust and workable system which meets the legislative requirements. I believe we now have that in place. A large majority of our licensing decisions are being confirmed at the forestry appeals committee, which gives confidence to these revised procedures.

**Deputy Michael Moynihan:** I appreciate the work the Minister and his Department are doing to try to resolve these issues. We need to be very clear on the appeals process as well. There has to be a time limit on the appeals. I know that, as the Minister mentioned, the hope is to tie in the licensing process with the planning process. At the moment there is no clear guidance on how long an appeal will take if an objection is made to a licence. That has to go through the appeals process. We need clear guidance in the legislation the Minister is contemplating publishing this weekend as to time limit. If a decision made by the Department is being appealed by a third party it should then go to the independent appeals board to be heard. That has to take place. It should be very clearly enshrined in the legislation that it should take place within a month or six weeks of the application.

There are people who were looking to plant trees in the spring of this year on the books. The time has elapsed and planting is not justifiable during the summer months. The Minister must be very clear in the legislation that there is a month or a six-week timeframe to ensure an appeal is heard in a timely fashion. A point that has been made by the company that has been in contact with me is the lack of ecologists. The Minister must get ecologists into his Department and get the backlog cleared. The applications currently there need to be assessed and then at least a proper decision will be made to grant the application. There needs to be recruitment by the Minister's Department to ensure that takes place as quickly as possible.

**Deputy Dara Calleary:** I thank the Deputy once again for his suggestions. I am happy to confirm to him that we are in the process of appointing ecologists and we will have a number of new ecologists in place in the Department by the end of the month. We have a detailed project plan in place for dealing with the backlog and new applications which includes significant extra resources. As I said, these will include ecologists, forestry inspectors and administrative staff. The project plan is a targeted, process-driven approach which will prioritise files in a manner which will result in an increased number of licences being issued in the short term. It will also deliver a return to expected timelines in the longer term. The project plan is being presented to all stakeholders, as have the key performance indicators, KPIs, for our proposed output. A project management board with a dedicated project manager is overseeing and monitoring delivery. There will be a continuous review of the process. A communication plan to keep stakeholders fully and regularly involved with progress and a dedicated central resource to deal with queries is a key element of the project. While much of the success of the project plan lies with my Department stakeholders also need to engage with it. This will require a commitment from forestry companies to submit applications that are of the required standard and quality and submit NIS in accordance with the guidance.

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I am more than aware that the current situation is challenging and the Minister of State, Senator Hackett, and I are treating this as a priority. However, the significant investment in resources, both financial and human, by my Department, the implementation of our project plan and the legislative reform will mean the current situation is a temporary disruption that when resolved will make for a better, more sustainable and fit for purpose forestry licensing system which will last for many years to come.

The Dáil adjourned at 11.39 p.m. until 9.30 a.m. on Thursday, 30 July 2020.