



DÍOSPÓIREACHTAÍ PARLAIMINTE
PARLIAMENTARY DEBATES

DÁIL ÉIREANN

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

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DÁIL ÉIREANN

Dé Céadaoin, 12 Nollaig 2012

Wednesday, 12 December 2012

Chuaigh an Ceann Comhairle i gceannas ar 10.30 a.m.

Paidir.
Prayer.

Leaders' Questions

An Ceann Comhairle: Before beginning Leaders' Questions, I again appeal to those who are either asking or answering a question to adhere to the rule, which is two minutes to ask a question and three minutes to reply, with a minute for a supplementary and a minute to reply. I do not want to have to constantly interrupt Members and they can please assist me by sticking to the time limits, or else change the rules of the House. I call Deputy Martin.

Deputy Micheál Martin: We learned this morning that the Government has agreed to legislate to facilitate banks in repossessing family homes. Yet, the 170,000 people in mortgage arrears and those whose homes are about to be repossessed will be still forced to pay the family home tax. The family home tax, or property tax, Bill was published yesterday and is being taken on Friday and rushed through the House, with a vote on Friday. The Thornhill report was published only on Thursday, although it had been with the Government since June. There will be no adequate time for discussion or debate, with very substantial powers going to Revenue in terms of entering homes, inspecting properties and so forth.

All of this is to ram through the House what is essentially a very unfair tax because absent from the tax and the legislation is a fundamental canon of any taxation law, which is the ability to pay. In society today, at this very moment, many people simply do not have the ability to pay this tax - we are talking about the unemployed, people on welfare payments, pensioners, people on family income supplement, the lowest paid workers and people on farm assist. They do not have the capacity to pay the level of property tax that is being put on them by this budget and by the Government.

We must remember that some 500,000 people are living in households where mortgages are in arrears. Yet, for some unknown reason, they are expected and asked to pay a significant family home tax, all in the context of a dead property market.

An Ceann Comhairle: A question, please.

Deputy Micheál Martin: We are saying quite openly that now is the wrong time to put such a burden on people on whom the financial pressures are enormous. The situation has got much worse with regard to unemployment and so on. Does the Taoiseach agree the pressures now facing the categories of people I have outlined are such that they are not in a position to pay this tax that is being levied upon them?

The Taoiseach: The position in regard to the property tax has been outlined by the Minister for Finance in the budget. The property tax will apply for a half year for 2013 and for a full year from 2014. The valuations will be set in bands of €50,000 and the tax will be levied at 0.18%, with a 0.25% charge for those who have houses that are valued at more than €1 million and in respect of the element of the valuation over €1 million.

The structure has been set out by the Revenue Commissioners. The introduction of the Bill is to make way for that process to apply. The Minister has outlined the understanding of the difficulty that people have these days in the economic circumstances in which the country finds itself. Arrangements are made and allow for a deferral in certain circumstances for people who find themselves in a situation where they cannot afford to meet the level of the property tax.

As Deputy Martin is aware, the introduction of a property tax in this country is with the intention of broadening the tax base. A situation has applied for many years where, year after year, local authorities found an easy way of increasing rates on commercial premises, which has placed an inordinate strain upon them and, given the difficulties about the confidence in the indigenous economy, it is necessary that the tax base be broadened. The property tax will be used, and the majority of it applied and spent, in the local authority areas where it is raised for services for people. I expect local authorities will publish their schedules of work so people will understand the property tax they pay goes for services for themselves and their families in the areas in which they live.

It is true that many people are now in straitened economic circumstances. That is why the level of the property tax was pitched at 0.18%. The valuation in terms of the banding is fair and progressive and those who have more and who have houses with higher valuations-----

Deputy Michael McGrath: And higher mortgages.

The Taoiseach: -----will be able to contribute more. The deferral options are there for those who find themselves in particular circumstances.

It is being brought in on Friday to make arrangements for the passing of the Bill so the Revenue Commissioners can make arrangements that it apply from 1 July next year, with a full year in 2014 and thereafter.

Deputy Micheál Martin: In the past two years unemployment has gone up and mortgage arrears have gone up significantly while economic growth is down and the property market is dead. How can the Taoiseach or this House say to people who cannot pay their mortgage-----

Deputy Derek Keating: Why is that?

Deputy Noel Coonan: It is their record.

Deputy Micheál Martin: If people cannot pay their mortgages, how can they pay a property tax on that house?

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Deputy Bernard J. Durkan: His party is the cause of it.

Deputy Micheál Martin: It defies any logic and goes against any concept of ability to pay. If somebody paid €25,000 or €30,000 in stamp duty in the past three, four or five years, they believe they have paid their property tax.

Deputy Bernard J. Durkan: They caused that.

An Ceann Comhairle: Order, please.

Deputy Micheál Martin: So does the Commission on Taxation, which advised they should be exempt for seven years from any property tax that was brought in.

An Ceann Comhairle: Does the Deputy have a question?

Deputy Micheál Martin: More than €5 billion has been paid in stamp duty. How are we expecting unemployed people to pay this? The higher the value of some houses, the higher the mortgages. The issue is that, because of their financial circumstances, people are simply not in a position to pay.

An Ceann Comhairle: Does the Deputy have a question?

Deputy Micheál Martin: We are facing the incredible scenario where somebody whose house could be repossessed in the coming year-----

Deputy Bernard J. Durkan: I told the Deputy that five or six years ago.

Deputy Micheál Martin: -----will also be asked to pay a property tax.

An Ceann Comhairle: The Deputy is over time.

Deputy Micheál Martin: There is no fairness in this tax. There is no attempt to allow for ability to pay or to provide for exemptions.

The Taoiseach: Deputy Martin and his party signed on for a property tax.

Deputy Willie O'Dea: No, we did not.

The Taoiseach: Like St. Augustine, he wants to be made pure but not just yet. He cannot deny his record in this regard.

Deputy Micheál Martin: The Taoiseach should read his own party's manifesto.

The Taoiseach: Fianna Fáil signed on for a property tax. This Government is introducing what we consider a fair and progressive property tax.

(Interruptions).

An Ceann Comhairle: Deputies, please.

Deputy Micheál Martin: Read the manifesto, where a property tax is described as "unfair".

An Ceann Comhairle: Deputy Martin already had his say.

The Taoiseach: I note that the Fianna Fáil spokesman on finance said yesterday that the re-

quirement of the troika to provide legal clarity to the procedural aspects of the 2009 legislation introduced by the previous Administration, which was adjudicated on by Ms Justice Elizabeth Dunne, would lead to a rash of house repossessions. That is untrue. The situation in so far as the mortgage market is concerned - and it has been so for very many years - is that banks lend on the basis that they will be repaid and where circumstances do not permit that to happen, repossessions have taken place.

Let us be very clear on this. It is the intention of the Government that clarity be provided to that aspect of the law which Ms Justice Dunne found insufficient or inadequate. There is no intention of having, as the Fianna Fáil spokesman said, a rash of house repossessions. The number of repossessions in this country has been exceptionally small and we intend to keep it that way.

An Ceann Comhairle: We are over time.

The Taoiseach: House ownership is very important for people in this country and we respect and understand that. We want to keep that process whereby the level of repossessions will be exceptionally low.

Deputy Michael McGrath: The Government is putting the banks first and home owners second.

An Ceann Comhairle: I am calling Deputy Gerry Adams.

The Taoiseach: It is very important that people know and understand that the house they live in is in their home and that it will be kept in their possession.

An Ceann Comhairle: I have told the Taoiseach that we are over time.

The Taoiseach: That is why the Personal Insolvency Bill is being introduced, to allow further options for people that will enable them to retain their family homes, which is so important for everybody in the country.

An Ceann Comhairle: I ask the Taoiseach to recognise the Chair. I have called Deputy Gerry Adams.

The Taoiseach: Gabh mo leithscéal, a Cheann Comhairle.

Deputy Gerry Adams: Yesterday I asked the Taoiseach a number of appropriate and pertinent questions about the Government's cuts to the incomes of lower and middle-income families, to child benefit, maternity benefit and particularly the respite care grant. His practice increasingly in defending bad policy decisions which are scrutinised by Sinn Féin is cynically to use the recent conflict in the North as a distraction from his own decisions. That is what he did yesterday. It is a deliberate strategy which diminishes the Office of the Taoiseach and the Government and insults all of those who have suffered in the course of the recent conflict. I am in the North every week and there is turbulence there at this time.

A Deputy: There was turbulence there for 30 years.

Deputy Gerry Adams: I want to have all of these issues debated in this Chamber. I also want to have this bad budget debated in an informed way.

My specific appeal to the Taoiseach yesterday was to reverse the despicable cut to the re-

spite care grant. He did not answer me and I am making the appeal again. I know the Taoiseach does not like me putting these questions, so he should forget about me for a second.

(Interruptions).

An Ceann Comhairle: Will Members please allow the Deputy to ask his question?

Deputy Gerry Adams: I am sure he has read in today's *Irish Examiner* the letter from Mr. Pat O'Mahony, husband and carer to Margaret, who wants the Taoiseach to reverse the cut to the respite care grant. Will the Taoiseach respond to Mr. O'Mahony? Let us forget about Sinn Féin and all of these other issues. Here is a citizen writing to the Government and asking for these cuts to be reversed. Will the Taoiseach do so, le do thoil?

The Taoiseach: I would say there are a lot of people who would like to forget about Sinn Féin, but Deputy Adams's mandate in this House is not to allow that to happen.

Deputy Gerry Adams: The Taoiseach should respect our mandate.

The Taoiseach: The position is that the Government gave very careful consideration to this budget, which is essentially about providing an opportunity to restore our public finances to good health, grow our economy and provide the capacity to create jobs. That is the central thrust of the budget. All of those people who are on social protection, are unemployed or low paid will never have the opportunity to have a better lifestyle and better opportunities unless we deal with the central structural faults in our economy.

The reduction in the respite care grant will not be reversed.

(Interruptions).

Deputy Michael McGrath: The Taoiseach has given us a lot of hot air.

The Taoiseach: The budget has been decided by the Government. We have made the decision not to cut the old age pension, not to take away the travel allowance, not to cut the free fuel allowance or shorten the period for which it applies, not to interfere in any way with the carer's allowance or the home care packages. The Government made the decision to continue to pay a respite care grant of €1,375. I would like if it were more than that. I know many Pat O'Mahonys who look after their kith and kin. I have spoken to many of these people and I know it is a draining experience. This is a situation where the Government has to make difficult choices. Home care packages and the carer's allowance have been retained and an additional €20 million is being pumped into supports for the disabled and carers. The Government has made the difficult choice to continue to pay an unconditional grant to carers of €1,375. The budget as presented by the Minister for Finance will stand and will be put to a vote.

Deputy Mary Lou McDonald: Shame on you, Taoiseach.

Deputy Gerry Adams: The Taoiseach's opening sentence gives an insight into the Government's thinking. Did the Taoiseach and his colleagues give this matter careful consideration? If he missed it, if it did not come on his agenda for some reason or other, that would at least have been understandable, but it seems he did give it careful consideration after all. He does not, however, seem to have given careful consideration, although perhaps he did, to cutting his own salary or the salaries of Ministers and their advisers. Careful consideration was not apparently given to the bankers who are on huge pensions or are still, even though they helped to create the

mess we are in, drawing down huge salaries.

I do not know Pat O'Mahony or his wife Margaret, but I know lots of people like them. Mr. O'Mahony writes this morning that the Taoiseach does not give a fiddler's for him and his wife. He is right. The Taoiseach has just said that he will not reverse the cut to a payment on which this man and his wife depend to get through life. The Taoiseach was not sent into this Chamber to do this. He and his party sought an entirely different mandate, as did the Labour Party. They are doing the very opposite of what they were sent in here to do. This Administration is totally indistinguishable from the Fianna Fáil Government it replaced.

Deputy Mary Lou McDonald: Hear, hear.

Deputy Gerry Adams: I am asking the Taoiseach again to reflect on this.

An Ceann Comhairle: We are over time.

Deputy Gerry Adams: This is not him being tough - in fact, it is the easy choice. Being tough would be standing up to the golden elites, the financiers and the big people in our society, not the small people.

The Taoiseach: Like the Deputy, I do not know Mr. O'Mahony or his wife Margaret. I am sure that in the letter he has written to the newspaper he expresses his feelings very powerfully and more cogently than any of us could do, because he deals with this 24 hours per day.

Deputy Gerry Adams: He invites the Taoiseach to switch places with him for a short time.

The Taoiseach: The choice to be made by the Government was do we cut the widow's pensions, the old age pension-----

(Interruptions).

Deputy Gerry Adams: What about bankers' pensions?

An Ceann Comhairle: The Taoiseach has only one minute to reply. I ask Deputies to allow him to do so.

The Taoiseach: Do we reduce the half-rate carer's allowance, take away the facilities pensioners are entitled to at the moment, or interfere with the home care package and the carer's allowance? What choices does one make?

Deputy Mary Lou McDonald: Do we cut the Taoiseach's salary, Tánaiste's salary or ministerial salaries?

An Ceann Comhairle: The Deputy is always complaining about being interrupted. The Taoiseach should be allowed to reply.

The Taoiseach: The choice made here was to continue to pay a respite grant of €1,375.

Deputy Mary Lou McDonald: Disgraceful.

The Taoiseach: At the same time, the Government has set its face here in taking an additional €500 million from those who can afford to pay, which is obviously a very serious decision. I hear more crowing from Deputy Adams's left-hand side. I remind Deputy Micheál Martin that in 2009-----

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Deputy Micheál Martin: We are back to me again.

(Interruptions).

An Ceann Comhairle: We are over time. Will the Taoiseach respect the Chair?

The Taoiseach: Here is some ammunition for Deputy Adams. In 2009 the carer's allowance was cut by €16.50 per week, or €850 per year, by the Fianna Fáil Government. The blind person's pension was cut by €16.30 per week, or almost €850 per year, and the widow's pension was cut by the same amount. There is a lot of hypocrisy here. This Government has to make very difficult decisions.

(Interruptions).

The Taoiseach: I feel for Mr. O'Mahony and his wife Margaret, but the carer's package and the home care package are untouched-----

Deputy Sandra McLellan: There are choices. Tax wealth.

The Taoiseach: -----and the grant is still being paid at the rate of €1,375. People should say that to the Deputies on the other side when they tell people to vote against the Government.

Deputy Robert Troy: The clock applies to both sides of the House.

An Ceann Comhairle: I do not know whether people understand plain English.

A Deputy: The Taoiseach is over time.

An Ceann Comhairle: Hold on a moment. I reminded everybody that the rules apply to both sides of the House. If Deputies give me a chance-----

(Interruptions).

An Ceann Comhairle: I expect people to comply. Who is speaking for the Technical Group?

Deputy Richard Boyd Barrett: I am.

An Ceann Comhairle: Deputy Boyd Barrett again.

Deputy Michael Ring: He gave up the €40,000 leader's allowance. Fair play to him. Now will Deputy Finian McGrath give up the allowance too?

Deputy Finian McGrath: The Minister of State should give up the €75,000.

An Ceann Comhairle: I will suspend the House if Deputies will not stay quiet. I am sick to death of this. Complaint after complaint comes into my office from the public. I ask Deputies to behave. It is very easy to stick to the rules or else to change them. However, Deputies should not ask me to apply rules they will not obey. I want to make that clear. I will not proceed with this. Deputy Boyd Barrett has two minutes.

Deputy Richard Boyd Barrett: Struggling families throughout the county are all too aware of the cruel and impossible cuts and taxes the Government has imposed on them, and that its grim determination to impose this suffering is in order to pay off the debts of bankers and

bondholders. Will the Taoiseach explain to me and the nation how, at the same time it imposes this suffering on ordinary people in order to obey the diktats of the troika, the Government is simultaneously maintaining a planning, licensing and tax regime that effectively gives away an estimated 180 billion barrels' worth of gas and oil sitting off the coast of this country? Will he also explain how, in the case of Rossport and now also in Dublin Bay, he is awarding licences to multinational oil companies to ride roughshod over the concerns of local communities-----

Deputy Aodhán Ó Ríordáin: That is a local issue.

An Ceann Comhairle: Do you mind?

Deputy Richard Boyd Barrett: -----refusing their demands for public inquiries to look into the environmental dangers posed by drilling for oil six kilometres off the coast of Dublin Bay? Why is he refusing their demands to look into the benefits - or lack of same - for ordinary citizens of this country of these unprecedented deals with multinational companies? That amount of gas and oil, which is given in detailed estimates provided by the actual companies, could pay off our national debt five times over. Why is the Government giving away these resources to private multinational companies when our nation is being beggared? Why is it allowing them to ride completely roughshod over the legitimate concerns of local communities, both in the Taoiseach's county and in the capital city? Will the Taoiseach revoke the licences of these companies to drill or extract oil until we know that our environment is safe and that the benefits of this gas and oil will go to the citizens of this country?

Deputy Aodhán Ó Ríordáin: Hands off Dublin Bay.

The Taoiseach: I am not sure how Deputy Boyd Barrett determined there are 180 billion barrels of oil to be found. There is a great deal the Government can do for the country in this regard. In the regime that applied previously, contracts were drawn up between the State and exploration companies to determine whether finds were real and commercial and should be developed. One of the major finds, off Kinsale, has been in operation for many years and has come almost to the end of its capacity, while for the past 13 years the development process of bringing ashore the gas from the Corrib field has continued.

I spoke this week to the Norwegian Prime Minister, who made the point that by a law laid down many years ago Norway has never spent any of the money arising from North Sea oil or gas but has put the entirety into a national pension fund, now worth more than €500 billion. None the less, Norway is a high-tax country, as Deputy Boyd Barrett is aware. In letting out the exploration blocs, the Minister for Communications, Energy and Natural Resources, Deputy Rabbitte, is determining the interest level of companies that wish to explore options. The technology has changed and if it is possible to determine whether there are finds of oil or gas it follows that environmental sensitivities must be taken into account. There must be exceptional licensing requirements and a determination of whether there is value in following up the development of the kind of well that may be there.

As the Deputy is aware, the State, via the Government, can make a judgment in respect of determining the value to the State of any find. That issue is central to the Minister's policy in this regard. First must come the development of interest from commercial operations to explore and determine whether there are finds that should be developed and, if so, in what circumstances. This can make an impact on our economy in the future.

I am not in a position to alter contracts that were signed years ago between the State and

companies in respect of gas finds or whatever. It is important and in everybody's interest that where blocs are let out for exploration the licence to explore can be used or lost, and if there are finds or reservoirs, we must examine very carefully in what circumstances and capacity, and to what value to our country, these should be developed.

Deputy Richard Boyd Barrett: The estimates come from the oil companies. I brought a little file to hand over to the Taoiseach which details the oil company estimates and shows 90 billion barrels off the west coast and a similar amount found off the rest of the country. At current market prices that is approximately €1.5 trillion worth of estimated gas and oil. If even a small fraction of that is commercially extractable it would pay off the debts imposed by the troika on this country.

I am glad the Taoiseach mentioned Norway. I have a simple question for him. Will he adopt the Norwegian model? Norway does not allow any drilling unless there is a public inquiry and thoroughgoing public consultation. There can be no drilling within 25 km of the coast; 78% of the profits go to the state in taxes and royalties; and ownership of the gas and oil stays in the hands of the national company, Statoil, which is owned by the state and the citizens. Will the Taoiseach halt any permissions for drilling or extraction by oil companies until we have established a Norwegian model to manage our natural resources in order to keep the environment safe and so that the citizens of this country can benefit from the resources in our waters?

The Taoiseach: First the Deputy asked me to withdraw the licences. Then he asked me to adopt the Norwegian model.

Deputy Richard Boyd Barrett: Just do not grant the licences in Dublin Bay.

The Taoiseach: I assure the Deputy I am as interested in this as is anybody working on behalf of the people of this country. If there are reservoirs of either oil or gas offshore, the first thing that must be done is to determine where they are, whether they are commercial and the value and range of what they contain.

Deputy Richard Boyd Barrett: Here is the map. There are 87 prospects in specific locations.

The Taoiseach: The level of interest expressed by commercial companies has been higher lately than for the past 30 years. Clearly, finds have been made in other places around the world. In a major drilling operation off the west coast last year, where it had been assumed there was a really big reservoir of gas, this assumption turned out to be entirely negative. The map the Deputy has is not consistent with the facts. First, one must advertise for expressions of interest in exploration rights.

11 o'clock

These are obviously monitored by the State and the Department. If it transpires that there is a find of gas or oil, a particular process must be undergone and this is designed to protect the environment. It is also designed to ensure that the country and, as a consequence, the people and the economy will get the best deal possible. The Minister, Deputy Rabbitte, is conscious of this and will pursue the matter in that way.

Deputy Richard Boyd Barrett: Does the Taoiseach propose to instigate a public inquiry with regard to what is happening in Dublin Bay?

Deputy Finian McGrath: That used to be Labour Party policy.

Business of Dail

An Ceann Comhairle: Before proceeding to the Order of Business, I wish to bring the attention of the House to an incident which occurred during the Topical Issue debate yesterday. In the course of the debate on a matter tabled by Deputies Joan Collins, Clare Daly and Mick Wallace on the subject of the termination of motoring offences by An Garda Síochána, Deputy Joan Collins named a number of private individuals in connection with the subject matter and failed to refrain from doing so when cautioned by the Chair. I wish to advise the House that in advance of selecting the relevant matter for discussion as a Topical Issue, I specifically wrote to all of the Deputies concerned and drew their attention to the provisions of Standing Orders and long-standing rulings of the Chair on the matter of parliamentary privilege and defamatory utterances, including invasions of privacy as regards persons outside the House who are defenceless against comments made by Members under privilege. Deputy Joan Collins was also cautioned by the Chair at the time of her remarks in the House yesterday. In view of these events, particularly the prior notice given to the Deputies involved advising them of the need to exercise care in this matter, I regard Deputy Joan Collins's references to persons outside the House as a serious breach of privilege. I am, therefore, referring the matter to the Committee on Procedure and Privileges for its consideration.

Deputy Pádraig Mac Lochlainn: On a point of order-----

An Ceann Comhairle: There is no point of order. The Deputy should please resume his seat.

Deputy Pádraig Mac Lochlainn: -----yesterday the Taoiseach was asked to withdraw a remark-----

An Ceann Comhairle: Resume your seat, Deputy.

Deputy Pádraig Mac Lochlainn: -----and the Ceann Comhairle did not apply the same standard to him.

An Ceann Comhairle: The Deputy will leave the House.

Deputy Pádraig Mac Lochlainn: Yesterday the Taoiseach did exactly the same thing as Deputy Joan Collins but the Ceann Comhairle did not apply the same standard to him.

An Ceann Comhairle: Leave the House.

(Interruptions).

Deputy Pádraig Mac Lochlainn: This is a case of double standards.

An Ceann Comhairle: Out. Leave the House.

Deputy Pádraig Mac Lochlainn: The Ceann Comhairle is applying double standards. This is sheer hypocrisy.

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An Ceann Comhairle: Out. The Deputy will leave the House. I was in the course of making a statement. Get out, please. Did the Deputy hear me?

Deputy Pádraig Mac Lochlainn: I am not leaving. This is sheer hypocrisy.

Deputy Mary Mitchell O'Connor: Leave the House.

A Deputy: The truth hurts.

An Ceann Comhairle: That is fine. I name the Deputy.

Suspension of Member

An Ceann Comhairle: I move: "That Deputy Pádraig Mac Lochlainn be removed from the service of the Dáil."

Question put:

| The Dáil divided: Tá, 76; Níl, 46. | |
|------------------------------------|-------------------------|
| Tá | Níl |
| Bannon, James. | Adams, Gerry. |
| Barry, Tom. | Boyd Barrett, Richard. |
| Bruton, Richard. | Broughan, Thomas P. |
| Burton, Joan. | Calleary, Dara. |
| Butler, Ray. | Collins, Joan. |
| Buttimer, Jerry. | Collins, Niall. |
| Byrne, Catherine. | Colreavy, Michael. |
| Byrne, Eric. | Cowen, Barry. |
| Carey, Joe. | Crowe, Seán. |
| Coffey, Paudie. | Daly, Clare. |
| Conaghan, Michael. | Doherty, Pearse. |
| Conlan, Seán. | Donnelly, Stephen S.. |
| Connaughton, Paul J. | Dooley, Timmy. |
| Conway, Ciara. | Ellis, Dessie. |
| Coonan, Noel. | Ferris, Martin. |
| Corcoran Kennedy, Marcella. | Flanagan, Luke 'Ming'. |
| Coveney, Simon. | Fleming, Sean. |
| Creed, Michael. | Grealish, Noel. |
| Daly, Jim. | Halligan, John. |
| Deering, Pat. | Healy, Seamus. |
| Doherty, Regina. | Healy-Rae, Michael. |
| Dowds, Robert. | Kelleher, Billy. |
| Doyle, Andrew. | Kitt, Michael P. |
| Durkan, Bernard J. | Mac Lochlainn, Pádraig. |

Dáil Éireann

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|--------------------------|-----------------------|
| English, Damien. | Martin, Micheál. |
| Feighan, Frank. | McConalogue, Charlie. |
| Fitzgerald, Frances. | McDonald, Mary Lou. |
| Fitzpatrick, Peter. | McGrath, Finian. |
| Gilmore, Eamon. | McGrath, Mattie. |
| Griffin, Brendan. | McGrath, Michael. |
| Hannigan, Dominic. | McLellan, Sandra. |
| Harrington, Noel. | Moynihan, Michael. |
| Harris, Simon. | Murphy, Catherine. |
| Hayes, Brian. | Nulty, Patrick. |
| Hayes, Tom. | Ó Cuív, Éamon. |
| Heydon, Martin. | Ó Fearghaíl, Seán. |
| Hogan, Phil. | Ó Snodaigh, Aengus. |
| Howlin, Brendan. | O'Brien, Jonathan. |
| Humphreys, Heather. | O'Dea, Willie. |
| Humphreys, Kevin. | Pringle, Thomas. |
| Keating, Derek. | Shortall, Róisín. |
| Keaveney, Colm. | Smith, Brendan. |
| Kehoe, Paul. | Stanley, Brian. |
| Kelly, Alan. | Tóibín, Peadar. |
| Kenny, Enda. | Troy, Robert. |
| Kenny, Seán. | Wallace, Mick. |
| Kyne, Seán. | |
| Lawlor, Anthony. | |
| Lynch, Ciarán. | |
| Lynch, Kathleen. | |
| Lyons, John. | |
| Mathews, Peter. | |
| McCarthy, Michael. | |
| McHugh, Joe. | |
| McLoughlin, Tony. | |
| McNamara, Michael. | |
| Mitchell O'Connor, Mary. | |
| Mulherin, Michelle. | |
| Murphy, Dara. | |
| Murphy, Eoghan. | |
| Neville, Dan. | |
| Nolan, Derek. | |
| Ó Ríordáin, Aodhán. | |
| O'Donovan, Patrick. | |
| O'Mahony, John. | |
| Perry, John. | |

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|-----------------|--|
| Phelan, Ann. | |
| Ryan, Brendan. | |
| Shatter, Alan. | |
| Spring, Arthur. | |
| Stagg, Emmet. | |
| Stanton, David. | |
| Tuffy, Joanna. | |
| Wall, Jack. | |
| Walsh, Brian. | |
| White, Alex. | |

Tellers: Tá, Deputies Paul Kehoe and Emmet Stagg; Níl, Deputies Aengus Ó Snodaigh and Seán Ó Fearghail.

Question declared carried.

An Ceann Comhairle: The Deputy is suspended from the service of the Dáil. I ask him please to leave the Chamber. I will suspend the sitting for 15 minutes. I hope when he comes back that sense will have prevailed.

Sitting suspended at 11.15 a.m. and resumed at 11.30 a.m.

An Ceann Comhairle: As the Deputy is still in the Chamber, I am suspending the sitting for half an hour.

Sitting suspended at 11.35 a.m. and resumed at 12.05 p.m.

12 o'clock

Deputy Pádraig Mac Lochlainn withdrew from the Chamber.

Order of Business

The Taoiseach: It is proposed to take No. a16, motion re withdrawal of Civil Registration (Amendment) Bill 2011 [Seanad]; No. 30, statements on pre-European Council meeting of 13 and 14 December 2012; and No. 5, Social Welfare Bill 2012 - Second and Remaining Stages (resumed). It is proposed, notwithstanding anything in Standing Orders, that the Dáil shall sit later than 9 p.m. tonight and shall adjourn not later than 11.15 p.m.; No. a16 shall be decided without debate; No. 30 shall, if not previously concluded, be brought to a conclusion after 65 minutes and the following arrangements shall apply: the statements shall be made by the Taoiseach and by the main spokespersons for Fianna Fáil, Sinn Féin and the Technical Group, who shall be called upon in that order and who may share their time, shall not exceed 15 minutes in each case; a Minister or Minister of State shall be called upon to make a statement in reply

which shall not exceed five minutes; and the resumed Second Stage of No. 5 shall, if not previously concluded, be brought to a conclusion at 9.45 p.m. tonight. Private Members' business, which shall be No. 94, motion re confidence in the Government (resumed), shall conclude at 9 p.m. tonight, if not previously concluded.

An Ceann Comhairle: There are four proposals to be put to the House. Is the proposal that the Dáil shall sit later than 9 p.m. tonight and shall adjourn not later than 11.15 p.m. agreed to?

Deputy Micheál Martin: It is not agreed.

An Ceann Comhairle: I call Deputy Martin.

Deputy Micheál Martin: I want to oppose the Order of Business because of our overall unhappiness and dissatisfaction with the way the business of the House has been ordered today and, in particular, the guillotining of the debate on the Social Welfare Bill, which is absolutely unacceptable. Yesterday I thought about 13 minutes would be provided for the discussion on each amendment, which is ridiculously low, and that was to be only for the spokespersons. The time has now been reduced to eight minutes per amendment under the revised schedule. We estimate that eight minutes is all the time that will be allowed on Committee Stage to discuss the respite grant cut about which people all over the country have written, complained and spoken to their TDs.

Deputy Finian McGrath: It is disgraceful.

Deputy Micheál Martin: This is supposed to be the golden era of Dáil reform when the guillotining of debates on legislation was supposed to be a thing of the past, if we were to believe the Chief Whip. If the Taoiseach organised to get the Whips together, there is a way to address this. The Civil Registration (Amendment) Bill, which is to be taken in the House next week, could be deferred and in that way more time could be allocated to the Social Welfare Bill.

An Ceann Comhairle: Thank you, Deputy.

Deputy Micheál Martin: We would work with the Taoiseach by agreeing to take out some items on today's agenda with a view to giving more time for the Social Welfare Bill and the property tax Bill on Friday. What is happening this week in the House is an absolute disgrace and flies in the face of any agenda to give the Parliament a greater say on budgetary matters or on legislation. It is absolutely appalling what is going on.

Deputy Gerry Adams: This Bill is extremely controversial. The Government TDs must have the opportunity to come in here and argue for it and we certainly want to argue against it. We have put down a series of amendments to it and the Minister has even put down amendments to it. I acknowledge some extra time has been allocated but we need days to be allocated for this. We are cutting the jobseeker's benefit, increasing PRSI, cutting the respite grant and rushing it through. Where are all the election promises about a new transparency, reforming the system, a new way of doing things and a government which is accountable? It is a case of just push it through. We will be particularly opposing the fourth proposal, which allows the debate on the Bill to collapse and does not give us an opportunity to speak on some of the amendments to it.

Deputy Richard Boyd Barrett: I also want to add my appeal to the Taoiseach to remove the guillotine on the debate on the Social Welfare Bill. These issues are too important and

touch too many lives to truncate the debate on the Bill in the way he intends to. There is a way out of this that is reasonable and fair which is to defer the debate on the property tax Bill until after Christmas. There is no rush with it as it is not to be introduced until July. Why can the Taoiseach not agree to defer the debate on that Bill and allow more time for the debate on the Social Welfare Bill?

A little extra time, which is inadequate, has been granted for the debate on the Bill but the Technical Group will not have any extra time because of the rotation system. We number a third of the Opposition and we will not be given any extra time in the extra that has been given. That is completely unfair.

An Ceann Comhairle: Thank you, Deputy.

Deputy Richard Boyd Barrett: I appeal to the Taoiseach to lift the guillotine on the debate for those specific reasons but also, more generally, because we need adequate time to debate the Bill and discuss amendments to it.

An Ceann Comhairle: Thank you, Deputy. I call the Taoiseach to reply.

The Taoiseach: The details of this week's session were set out by the Whip at the Whips' meeting last week. The Social Welfare Bill has to go to the Seanad next week in order for continued payments to be made on 1 January.

I point out that when people make their case about speaking slots here that there was a good deal of argument about the requirement-----

Deputy Gerry Adams: That is misleading the Dáil.

The Taoiseach: -----to speak on the publication of the report of the expert group on the A, B and C case.

Deputy Micheál Martin: The Taoiseach has just thrown that into the middle of this discussion.

The Taoiseach: Last Friday only two Opposition speakers were made available----

Deputy Finian McGrath: I was here.

The Taoiseach: -----and Monday's sitting had to be cancelled because of a lack of speakers-----

Deputy Micheál Martin: That is not the issue.

The Taoiseach: -----so I do not accept this argument.

Deputy Barry Cowen: There were not too many of the Taoiseach's colleagues here either.

Deputy Catherine Murphy: The Taoiseach should satisfy his backbenchers-----

Question put: "That the proposal for the late sitting be agreed to."

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| The Dáil divided: Tá, 78; Níl, 47. | |
| Tá | Níl |

Dáil Éireann

| | |
|-----------------------------|------------------------|
| Barry, Tom. | Adams, Gerry. |
| Bruton, Richard. | Boyd Barrett, Richard. |
| Burton, Joan. | Broughan, Thomas P. |
| Butler, Ray. | Browne, John. |
| Buttimer, Jerry. | Calleary, Dara. |
| Byrne, Catherine. | Collins, Joan. |
| Byrne, Eric. | Collins, Niall. |
| Carey, Joe. | Colreavy, Michael. |
| Coffey, Paudie. | Cowen, Barry. |
| Collins, Áine. | Crowe, Seán. |
| Conaghan, Michael. | Daly, Clare. |
| Conlan, Seán. | Doherty, Pearse. |
| Connaughton, Paul J. | Donnelly, Stephen S. |
| Conway, Ciara. | Dooley, Timmy. |
| Coonan, Noel. | Ellis, Dessie. |
| Corcoran Kennedy, Marcella. | Ferris, Martin. |
| Creed, Michael. | Flanagan, Luke 'Ming'. |
| Daly, Jim. | Fleming, Sean. |
| Deering, Pat. | Grealish, Noel. |
| Doherty, Regina. | Halligan, John. |
| Dowds, Robert. | Healy, Seamus. |
| Doyle, Andrew. | Healy-Rae, Michael. |
| Durkan, Bernard J. | Kelleher, Billy. |
| English, Damien. | Kitt, Michael P. |
| Farrell, Alan. | Martin, Micheál. |
| Fitzgerald, Frances. | McConalogue, Charlie. |
| Fitzpatrick, Peter. | McDonald, Mary Lou. |
| Flanagan, Charles. | McGrath, Finian. |
| Gilmore, Eamon. | McGrath, Mattie. |
| Griffin, Brendan. | McGrath, Michael. |
| Hannigan, Dominic. | McLellan, Sandra. |
| Harrington, Noel. | Moynihan, Michael. |
| Harris, Simon. | Murphy, Catherine. |
| Hayes, Tom. | Nulty, Patrick. |
| Heydon, Martin. | Ó Caoláin, Caoimhghín. |
| Hogan, Phil. | Ó Cuív, Éamon. |
| Humphreys, Heather. | Ó Fearghaíl, Seán. |
| Humphreys, Kevin. | Ó Snodaigh, Aengus. |
| Keating, Derek. | O'Brien, Jonathan. |
| Keaveney, Colm. | O'Dea, Willie. |
| Kehoe, Paul. | Pringle, Thomas. |
| Kelly, Alan. | Shortall, Róisín. |

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| Kenny, Enda. | Smith, Brendan. |
| Kenny, Seán. | Stanley, Brian. |
| Kyne, Seán. | Tóibín, Peadar. |
| Lawlor, Anthony. | Troy, Robert. |
| Lynch, Ciarán. | Wallace, Mick. |
| Lyons, John. | |
| Mathews, Peter. | |
| McCarthy, Michael. | |
| McFadden, Nicky. | |
| McHugh, Joe. | |
| McLoughlin, Tony. | |
| McNamara, Michael. | |
| Mulherin, Michelle. | |
| Murphy, Dara. | |
| Murphy, Eoghan. | |
| Neville, Dan. | |
| Nolan, Derek. | |
| Ó Ríordáin, Aodhán. | |
| O'Donnell, Kieran. | |
| O'Donovan, Patrick. | |
| O'Mahony, John. | |
| Penrose, Willie. | |
| Perry, John. | |
| Phelan, Ann. | |
| Phelan, John Paul. | |
| Quinn, Ruairí. | |
| Ryan, Brendan. | |
| Shatter, Alan. | |
| Spring, Arthur. | |
| Stagg, Emmet. | |
| Stanton, David. | |
| Tuffy, Joanna. | |
| Twomey, Liam. | |
| Wall, Jack. | |
| Walsh, Brian. | |
| White, Alex. | |

Tellers: Tá, Deputies Emmet Stagg and Paul Kehoe; Níl, Deputies Catherine Murphy and Seán Ó Fearghail.

Question declared carried.

An Ceann Comhairle: Is the proposal for dealing with No. a16 agreed to? Agreed. Is the proposal for dealing with No. 30 agreed to? Agreed. Is the proposal for dealing with No. 5 agreed to?

Deputy Micheál Martin: It is not agreed. The reply we got to our opposition to proposal No. 1 was not satisfactory. The Taoiseach needs to direct the answers to the questions asked. We have seen the inadequacy and the appalling manner in which the Social Welfare Bill is being rammed through the House to suppress dissent, maintain cohesion within Government ranks and facilitate Government Deputies in order that they can go home at the weekend with the Social Welfare Bill having been put through the House. I have offered the Taoiseach the suggestion that our Whip, along with the other Whips, would be willing to meet and, if necessary, put aside some items for today and tomorrow to give more time to the Social Welfare Bill. It is absolutely farcical by any yardstick to provide eight minutes per amendment.

Deputy Michael McNamara: Even by Deputy Martin's standards.

Deputy Micheál Martin: There are only eight minutes for each amendment in the Social Welfare Bill and that is only for the spokespersons.

(Interruptions).

An Ceann Comhairle: Hold on.

Deputy Micheál Martin: That does not allow any Deputy aside from the spokespersons to speak.

Deputy Alan Shatter: How many Bills did Deputy Martin guillotine in his time?

Deputy Micheál Martin: What I am anxious to do-----

(Interruptions).

An Ceann Comhairle: Would you please allow the Deputy to make his point with a short statement? Thank you.

Deputy Micheál Martin: I am anxious to allow time to speak for many Deputies in the House, particularly Labour Party and Fine Gael Deputies who have voiced significant opposition to child benefit cuts and the respite care grant cuts.

Deputy Barry Cowen: They are wrestling with their conscience.

Deputy Micheál Martin: Not only will they not have an opportunity to vote against it, they will not even have an opportunity to voice their concerns or reservations about elements of the Social Welfare Bill.

Deputy Alan Shatter: How can he keep a straight face when saying that?

Deputy Micheál Martin: They have agreed to go along with it through voting. They are hoping there will be silent acquiescence and that those in government will then be out the gap. However, they will not be out the gap because the people concerned are watching them. This gives a bad message to the public to the effect that there is no such thing as Dáil reform.

Deputy Alan Shatter: That is pathetic.

Deputy Micheál Martin: There is no such thing as meaningful debate on fundamental Bills, including the Social Welfare Bill and the property tax Bill, which is due on Friday.

Deputy Billy Kelleher: They are silencing Deputy McNamara and Deputy Colm Keaveney.

Deputy Alan Shatter: Fianna Fáil destroyed the economy.

An Ceann Comhairle: Minister, please.

Deputy Michael McNamara: Does Deputy Kelleher want to come down to discuss it?

(Interruptions).

An Ceann Comhairle: Minister, you will be taking an early bath if you are not careful - and you too, Deputy Dooley. The two of you are shouting at each other while I am calling on Deputy Adams. Will you settle down, please? Settle down. Thank you. Deputy Adams without interruption.

Deputy Timmy Dooley: We are trying to defend the people's right to hear the views of elected representatives.

An Ceann Comhairle: You will be getting your holidays next week, so cool down.

Deputy Gerry Adams: In every part of the State citizens are discussing this legislation at length, except in this institution, which is responsible for bringing in the legislation. The Taoiseach offered several reasons for rushing it through. He said that we had to get our business done because this had to go to the Seanad. It is up to this Chamber to order our own business. The Taoiseach does not even want the Seanad to be there. It is up to this Chamber to order our own business and for the Seanad to fit into our timetable.

The Taoiseach said there were no takers for the debate time provided for the X case and the A, B and C v. Ireland case. We gave formal notice that none of our Teachtaí Dála wanted to talk on that issue and that we had talked on that issue but we wanted to see the legislation. We gave notice and we asked for a debate on the Social Welfare Bill and particularly on the budget.

Finally, the Taoiseach said this had to be passed to allow social welfare payments to continue. That is not true. There is legislation to allow social welfare payments to continue. I call on the Taoiseach to withdraw that remark. We need to have a debate that reflects the seriousness of what the Government is doing, which is in direct opposition to what it was mandated to do. Those who want to vote for this should be able to stand up and argue why they want to take money off carers and reduce child benefit, why they want to tax maternity benefit, why they want to take money from children through cuts to the back-to-school clothing and footwear allowance and why the Government wants to put a tax on the family home as opposed to on the wealthy.

Deputy Richard Boyd Barrett: I put it to the Taoiseach and the Minister for Justice and Equality that Fianna Fáil's miraculous conversion on the road to righteousness and political transparency is not the issue.

(Interruptions).

An Ceann Comhairle: Can Deputies stay quiet for one minute?

Deputy Richard Boyd Barrett: Those double standards are not the issue. The Government promised no less than a democratic revolution in how we do business in the House.

Deputy Robert Troy: He is breaking promises made.

Deputy Richard Boyd Barrett: The Taoiseach is not only betraying promises he made to the families of those with disabilities and promises made by the Labour Party on child benefit; he is now betraying the promise to have a new kind of politics. Will the Taoiseach please allow a debate on the Social Welfare Bill? It will seriously affect the lives of hundreds of thousands of families in the State. He should allow us to debate whether there might be some alternatives that could lift this terrible burden off those families. Will the Taoiseach please allow that debate and discuss it with the Whips or whatever needs to be done? There are ways to find more time for this discussion. The Taoiseach should have the courage and show a commitment to his own pre-election promises to allow for that debate to take place.

The Taoiseach: There have been significant changes in the way politics are conducted in here and there will be more changes to come.

A Deputy: What are they?

The Taoiseach: We have now spent two hours at this; we have been here since 10.30 a.m. These matters were raised on Leaders' Questions. We have a good deal of business to conduct.

Deputy Billy Kelleher: That is nonsense. Deputies everywhere want to speak on this issue.

The Taoiseach: The Whips gave notice last week of the arrangements for this week. It is time now to get on with it and move it through.

Deputy Timmy Dooley: Those Deputies should speak up now. They had a good deal to say during the weekend.

An Ceann Comhairle: I am now putting the question.

Deputy Micheál Martin: The Government is laying down the law of what is on the agenda. There is no discussion.

An Ceann Comhairle: Is the proposal for dealing with No. 5 agreed to?

Deputy Billy Kelleher: At least I was willing to stand up and defend it, unlike others who are running away.

An Ceann Comhairle: Please, Deputy.

Deputy Niall Collins: The sheep are back in the pens.

Question put: "That the proposal for dealing with No. 4 be agreed to."

| The Dáil divided: Tá, 80; Níl, 46. | |
|------------------------------------|------------------------|
| Tá | Níl |
| Bannon, James. | Adams, Gerry. |
| Barry, Tom. | Boyd Barrett, Richard. |

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|-----------------------------|------------------------|
| Bruton, Richard. | Broughan, Thomas P. |
| Burton, Joan. | Browne, John. |
| Butler, Ray. | Calleary, Dara. |
| Buttimer, Jerry. | Collins, Niall. |
| Byrne, Catherine. | Colreavy, Michael. |
| Byrne, Eric. | Cowen, Barry. |
| Carey, Joe. | Crowe, Seán. |
| Coffey, Paudie. | Daly, Clare. |
| Collins, Áine. | Doherty, Pearse. |
| Conaghan, Michael. | Donnelly, Stephen S. |
| Conlan, Seán. | Dooley, Timmy. |
| Connaughton, Paul J. | Ellis, Dessie. |
| Conway, Ciara. | Ferris, Martin. |
| Coonan, Noel. | Flanagan, Luke 'Ming'. |
| Corcoran Kennedy, Marcella. | Fleming, Sean. |
| Coveney, Simon. | Grealish, Noel. |
| Creed, Michael. | Halligan, John. |
| Daly, Jim. | Healy, Seamus. |
| Deering, Pat. | Healy-Rae, Michael. |
| Doherty, Regina. | Kelleher, Billy. |
| Dowds, Robert. | Kitt, Michael P. |
| Doyle, Andrew. | McConalogue, Charlie. |
| Durkan, Bernard J. | McDonald, Mary Lou. |
| English, Damien. | McGrath, Finian. |
| Farrell, Alan. | McGrath, Mattie. |
| Fitzgerald, Frances. | McGrath, Michael. |
| Fitzpatrick, Peter. | McLellan, Sandra. |
| Flanagan, Charles. | Martin, Micheál. |
| Gilmore, Eamon. | Moynihan, Michael. |
| Griffin, Brendan. | Murphy, Catherine. |
| Hannigan, Dominic. | Nulty, Patrick. |
| Harrington, Noel. | Ó Caoláin, Caoimhghín. |
| Harris, Simon. | Ó Cuív, Éamon. |
| Hayes, Brian. | Ó Feargháil, Seán. |
| Hayes, Tom. | Ó Snodaigh, Aengus. |
| Heydon, Martin. | O'Brien, Jonathan. |
| Hogan, Phil. | O'Dea, Willie. |
| Humphreys, Heather. | Pringle, Thomas. |
| Humphreys, Kevin. | Shortall, Róisín. |
| Keating, Derek. | Smith, Brendan. |
| Keaveney, Colm. | Stanley, Brian. |
| Kehoe, Paul. | Tóibín, Peadar. |

Dáil Éireann

| | |
|---------------------|----------------|
| Kelly, Alan. | Troy, Robert. |
| Kenny, Enda. | Wallace, Mick. |
| Kenny, Seán. | |
| Kyne, Seán. | |
| Lawlor, Anthony. | |
| Lynch, Ciarán. | |
| Lyons, John. | |
| McCarthy, Michael. | |
| McFadden, Nicky. | |
| McHugh, Joe. | |
| McLoughlin, Tony. | |
| McNamara, Michael. | |
| Mathews, Peter. | |
| Mulherin, Michelle. | |
| Murphy, Dara. | |
| Murphy, Eoghan. | |
| Neville, Dan. | |
| Nolan, Derek. | |
| Ó Ríordáin, Aodhán. | |
| O'Donnell, Kieran. | |
| O'Donovan, Patrick. | |
| O'Mahony, John. | |
| Penrose, Willie. | |
| Perry, John. | |
| Phelan, Ann. | |
| Phelan, John Paul. | |
| Quinn, Ruairí. | |
| Ryan, Brendan. | |
| Spring, Arthur. | |
| Stagg, Emmet. | |
| Stanton, David. | |
| Tuffy, Joanna. | |
| Twomey, Liam. | |
| Wall, Jack. | |
| Walsh, Brian. | |
| White, Alex. | |

Tellers: Tá, Deputies Emmet Stagg and Paul Kehoe; Níl, Deputies Aengus Ó Snodaigh and Seán Ó Fearghail.

Question declared carried.

Deputy Micheál Martin: On the Order of Business-----

An Ceann Comhairle: There is no Order of Business now.

Deputy Micheál Martin: We need to-----

An Ceann Comhairle: Will the Deputy, please, resume his seat?

Deputy Micheál Martin: On a point of order, the Standing Order which eliminates the opportunity to have an Order of Business because of the calling of votes is reprehensible. It was slipped in by way of Dáil reform measures and needs to be reviewed and changed, as it is anti-democratic and does not give Members of the House a fair opportunity on a Wednesday morning to raise issues of importance. It is bringing the House into disrepute. Its only purpose is to serve the Government parties and prevent issues from being aired and articulated.

Civil Registration (Amendment) Bill 2012 [Seanad]: Leave to Withdraw

Minister of State at the Department of the Taoiseach (Deputy Paul Kehoe): I move:

That, notwithstanding anything in Standing Order 124, leave be granted to withdraw the Civil Registration (Amendment) Bill 2011 [Seanad]

Question put and agreed to.

Business of Dáil

Minister of State at the Department of the Taoiseach (Deputy Paul Kehoe): It is proposed that, notwithstanding anything in Standing Orders or the order of the Dáil for today, the suspension of the sitting shall take place at the conclusion of No. 13 until 2.30 p.m.

An Ceann Comhairle: Is that agreed? Agreed.

Pre-European Council Meeting: Statements

The Taoiseach: The December meeting of the European Council will take place in Brussels on Thursday and Friday of this week. While economic policy will once again dominate the European Council's agenda, at this meeting we will be looking forward to how best we can strengthen economic and monetary union and in the process provide for a stable underpinning for the common currency into the future. Also under the economic policy heading, leaders will consider the annual growth survey which marks the beginning of the third European semester process which will form an important part of Ireland's work during its Presidency of the Euro-

pean Council in the opening six months of next year.

The meeting will provide an opportunity for Heads of State and Government to adopt a set of conclusions which will lay the groundwork for a substantive debate on the European Union's Common Security and Defence Policy, CSDP, which will take place in December 2013. These preparations will facilitate a more meaningful discussion among leaders this time next year.

The European Council is also likely to adopt a set of conclusions on EU enlargement policy which will set out the work to be undertaken in the coming year, including during our Presidency. This issue was the subject of detailed and lengthy discussions at the General Affairs Council in Brussels yesterday, at which Ireland was represented by the Tánaiste. In light of the deliberations of foreign Ministers, including the Tánaiste, at the Foreign Affairs Council in Brussels on Monday of this week, it is anticipated that leaders will also adopt conclusions on a number of current foreign policy issues.

I should recall for the House that this meeting of the European Council will not follow up on the discussions that leaders had last month on the Union's budget over the period 2014 to 2020, the so-called multi-annual financial framework. President Van Rompuy and President Barroso are continuing their work to identify means of bridging outstanding differences among member states, and we will return to this issue in the new year.

Over recent years, as the Union has taken a range of steps necessary to overcome the economic and financial crisis and bring stability to our shared currency, it has become apparent that the euro needs to be recast on the foundations of a strengthened economic and monetary union, EMU. These last years have made it crystal clear that the stability and well-being of the euro area and the entire European Union are inextricably linked to the stability and well-being of our currency. The weakness, instability and uncertainty surrounding our common currency has most evidently affected member states in a markedly adverse manner. It is manifestly the case that a stable euro is in the vital national interests of Ireland. Our economic and financial well-being into the future is tightly bound up with the health and stability of the currency that we share with our euro area partners. A healthy and stable euro is good for Ireland, good for the euro area and good for the EU.

The House will recall that European Council President Van Rompuy was asked by leaders at the European Council in June to develop his thinking on the future of the EMU in close co-operation with the Presidents of the Commission, the European Central Bank and the Eurogroup, and to return to us with a "time-bound roadmap for the achievement of a genuine Economic and Monetary Union". President Van Rompuy returned to the October European Council with an interim report which certainly pointed us in the right direction - that is, towards making a reality of the undertaking made by leaders in June to break the link between the sovereign and banks through the establishment of a single supervisory mechanism, SSM, for euro area banks and the banking union more broadly and towards implementation of the various steps we have already taken with regard to economic governance, including the six-pack, the two-pack and indeed the stability treaty. On the latter, I am happy to report to the House that Ireland will complete the process of ratifying the stability treaty later this week with the deposit of our instrument of ratification with the General Secretariat of the Council in Brussels. This last step had awaited the passage of the Fiscal Responsibility Act 2012, which was signed into law at the end of last month. Ireland will thus be among the initial group of twelve euro area member states whose ratification of the stability treaty will trigger its entry into force in due course.

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President Van Rompuy's interim report also flagged the ideas of a possible fiscal capacity for the euro area and possible contracts between member states and the EU institutions, perhaps covering the country-specific recommendations generated as part of the European semester process. We now have a suite of documents on this critical issue on the table to orient and inform our discussions in Brussels later this week. First, we have President Van Rompuy's report, which he has prepared in close collaboration with Presidents Barroso, Juncker and Draghi, entitled "Towards a Genuine Economic and Monetary Union". Second, we have the Commission's document, "Blueprint for a Deep and Genuine Economic and Monetary Union - Launching a European Debate", which sets the scene for a longer-term discussion. Third, we have a set of draft European Council conclusions which propose a roadmap for the period up to and beyond 2014. Each of these three documents has a role to play in this important debate and for that I commend their respective authors on their preparation.

In the draft conclusions, President Van Rompuy sets out a proposed roadmap spanning three stages, the first of which is for implementation immediately, while the third is envisaged to be rolled out following the European Parliament elections in 2014 and when a new Commission has been appointed. The first stage, which is intended to run over what remains of this year and next, has a clear focus on implementing what has been already agreed, particularly in the area of banking union. In this regard, I note that the ECOFIN Council is meeting again in Brussels this evening in an effort to finalise agreement on the SSM. Such an agreement would take us closer to delivery of our commitment to having the legislative framework in place, and I wish the council success. The issue is important in itself, including from a national perspective, but it is also an important demonstration of our capacity to deliver what we have agreed. Implementation is very much the focus of the first stage in President Van Rompuy's roadmap, and he has my strong support in this.

The second stage proposed in the draft conclusions would run from 2013 to 2014. It would build on the existing Commission proposals on resolution and deposit guarantees and see the Commission submitting a proposal for a single resolution mechanism authority with an appropriate backstop for those member states participating. Again, we are strongly in favour of this step, which forms a key element of the overall banking union. In this stage, which is intended to be taken forward in 2013 and 2014, President Van Rompuy is suggesting that member states enter into what he is calling "arrangements of a contractual nature" to improve implementation of reform. In common with a great number of our EU partners, we have sought greater clarity on this proposal. We want to know how such arrangements might work, on what basis they would work and who would oversee them. There is a need for greater explanation and elaboration before we can be sure that such arrangements have a role to play. I look forward to discussing this with colleagues when we meet.

Stage three, which would run from 2014, when there will be a new Parliament and Commission in place, foresees further deepening of economic integration in the euro area and the possible establishment of a fiscal capacity which could be used to smooth out shocks and encourage further reforms. As we tease out how such a fiscal capacity might operate, and indeed how it might interact with arrangements of a contractual nature, we will be seeking to ensure that the roadmap as a whole and over time delivers a balanced, consistent and appropriately sequenced range of measures which will really strengthen the EMU and deliver the desired long-term stability to our common currency.

As we deliberate on how to strengthen the EMU, the other ingredient is, of course, how we ensure that our people understand what it is we are seeking to do and why. We must ensure

there is an appreciation that no one is proposing that we strengthen the EMU for its own sake. As far the Government and I are concerned, this exercise is without doubt a means to an end, that end being the long-term stability of our currency, our economy and, ultimately, our Union. Improving democratic legitimacy and accountability as we take forward the strengthening of EMU is a prerequisite. Ultimately, how far we go in this regard will naturally depend on how far we intend to take EMU. One complements and accompanies the other. As we move through the stages, as proposed by President Van Rompuy, we need to ensure that accountability structures keep up with developments. These cannot and must not be considered by anyone to be optional extras. They must be integral to the process of strengthening EMU. We in Ireland know this better than anyone. Should some of the measures envisaged for stage three require treaty change, we will need to be able to explain clearly to our people what is proposed and why it would be in the long term interests of this State and the Union as a whole. Strengthened accountability structures concerning decisions to be taken at the European level would be a vital and wholly essential component. Without doubt there will be a role for the European Parliament, but there must also be a strengthened role for national parliaments including, of course, this House. On this, as on other issues, we will need to strike an appropriate balance.

I expect that we will welcome the annual growth survey that was produced by the Commission on 28 November and launches the 2013 European semester for economic policy co-ordination. As Europe slowly emerges from the deepest economic and financial crisis in its history, the Commission is advocating a reinvigorated emphasis on the five priorities identified in last year's survey - namely, pursuing differentiated, growth-friendly fiscal consolidation; restoring normal lending to the economy; promoting growth and competitiveness for today and tomorrow; tackling unemployment and the social consequences of the crisis; and modernising public administration. This emphasis is also reflected in the compact for growth and jobs agreed in June, and I expect that it will be strongly supported.

The annual growth survey feeds into national economic and budgetary decisions that member states will set out in April next in stability and convergence programmes under the Stability and Growth Pact and national reform programmes under the Europe 2020 strategy. These, in turn, form the basis for the Commission's proposals for country specific recommendations in May.

Effective management of the third European semester process will be an important focus of next year's Irish Presidency. The October European Council invited the incoming Presidency to submit a roadmap for the organisation of this work in 2013. This was presented by the Tánaiste to yesterday's meeting of the General Affairs Council in Brussels and will inform this week's discussions. It sets out in practical terms a response to the key recommendations made in the recent synthesis report from the Cypriot Presidency on lessons learned from the 2012 European semester. The key objective will be to ensure all relevant Council formations work in a co-ordinated and consistent manner towards a thorough preparation for the March and June European Councils. This will include a strong focus on appropriate streamlining of committee work, building also from the Commission's proposals for more regular and ongoing dialogue with member states. This should support a deeper political discussion within the Council based on a shared assessment of common challenges and more constructive engagement on the development and implementation of jointly agreed priorities. Our hope is that country specific issues can be settled to the greatest extent possible through stronger bilateral dialogue and, where appropriate, more effective multilateral surveillance within the relevant committees.

We welcome the European Parliament's efforts to enhance parliamentary involvement. Par-

liamentary week in January will see debates with members of relevant committees from national parliaments. I understand the Ceann Comhairle has accepted an invitation to participate as Speaker of the Presidency Parliament. I warmly welcome such an engagement, whether it involves the Ceann Comhairle or the Leas-Cheann Comhairle. Further ways to reinforce parliamentary involvement are also being explored.

The European Council is expected to adopt conclusions on the European Union's Common Security and Defence Policy, CSDP. The conclusions will cover the CSDP on missions, capabilities and preparations for a discussion on defence issues at the European Council in December 2013. Leaders are expected to task the High Representative and relevant EU bodies to develop further proposals and actions aimed at strengthening the CSDP and improving the availability of military capabilities and to report on these initiatives by September 2013. The issues to be covered in the report will include increasing the effectiveness, visibility and impact of the CSDP; enhancing the development of defence capabilities; and strengthening Europe's defence industry. This item will be essentially of a preparatory nature at this week's meeting.

The European Council will endorse the conclusions on enlargement agreed at the General Affairs Council yesterday. Given that the conclusions have now been agreed, lengthy discussion is not expected at the European Council. No specific decisions were made that would require agreement at European Council level. However, the conclusions will shape the agenda in the six months of Ireland's Presidency and it is likely that we will have to consider such issues as granting candidate status to Albania and opening negotiations with Serbia and, possibly, Macedonia during that time. In particular, it is the intention that the Council will review progress on the Belgrade-Pristina dialogue in the spring with a view to considering whether to open accession negotiations with Serbia and negotiations on a stabilisation and association agreement between the European Union and Kosovo. We also expect to consider a report from the Commission on Albania's progress in meeting various reforms with a view to deciding on whether to grant candidate status. The Council will examine progress made by the Former Yugoslav Republic of Macedonia on the possibility of opening accession negotiations, provided there is a resolution of the name issue. We welcomed the reference in the conclusions to regaining the momentum in the accession negotiations with Turkey, on which we hope to make progress in the next six months. We also intend to advance the accession negotiations with Iceland and Montenegro. Ireland will oversee consideration of the final monitoring report on Croatia's preparations for accession and we look forward to welcoming Croatia as the 28th member of the European Union on 1 July.

It is expected that the European Council will adopt short conclusions on foreign policy issues. These will draw on the conclusions which emerged from the Foreign Affairs Council earlier this week, at which the Tánaiste represented Ireland. Discussions at the Foreign Affairs Council focused principally on developments in the Middle East and Syria.

Deputy Micheál Martin: This week the European Council is meeting at a time when the economic situation in Europe is taking a significant turn for the worse. The growth projections for all major economies and the eurozone as a whole have just been cut. Within the eurozone unemployment has increased by over 170,000 since leaders last met and now reached the unprecedented figure of 18.7 million people out of work. A familiar pattern of rising bond yields and threatened credit ratings has begun to return. Yet again, however, the agenda adopted by Europe's leaders is nowhere near ambitious or urgent enough to tackle the crisis. The summit will be entirely taken up with matters which should have been dealt with long ago. Banking union, an essential foundation for recovery, has been delayed. The draft conclusions for the

summit state leaders understand the urgent need for radical reform of Economic and Monetary Union and that they might get around to doing something in two years time.

In terms of Ireland's needs, there is a lot of misleading ministerial bluster. As usual the Government is providing little or no information, but the evidence suggests it is no longer even seeking the scale of adjustment to the promissory notes which Ireland deserves. In advance of every summit President Van Rompuy publishes a short letter to leaders which contains a bland summary, mainly intended for the media. It has been the habit of the Taoiseach to limit what he says to the House in these debates to what has already been published in these summaries. This debate is unusual in that we have more information to work with because the detailed draft conclusions were leaked last week.

The core of the summit will be the issue of addressing the flaws in Economic and Monetary Union. I will address the wider part of this agenda later, but for the moment I will concentrate on the most urgent parts of it, namely, banking union and Ireland's bank related debts. The need for a strong banking union within the eurozone is obvious to everyone. No part of the existing system is as broken as financial regulation. There is no middle way between national and eurozone regulation. Trying to construct a middle way is what caused so much of the trouble in recent years. In June agreement was reached in principle to create a banking union and the eurozone leaders announced that proposals would be fully agreed by the end of the year. The core of the proposal, the single supervisory mechanism, was agreed to as the necessary first step before any money for bank recapitalisation from the ESM could be allowed to be paid.

Many meetings have been held since, but nothing has been agreed. Every significant target has slipped. Finance Ministers have repeatedly made matters worse by staking out positions which seek to undo the substance of a banking union. Germany's position is that it is in favour of a banking union as long as it does not cover most of its banks and has no shared system for winding up banks or guaranteeing deposits. The non-eurozone countries, particularly Sweden and the United Kingdom, have raised reasonable points about having a say in all decisions which affect their banks. Ireland's only reported impact on negotiations has been to insist that nothing should be agreed which might need to be voted on by the people. According to the draft communiqué, legislation concerning bank resolution and deposit guarantees are not to be agreed to until next March at the earliest and no date has been given for when the single supervisory mechanism will take effect. This is a signal that Europe's leaders are rolling back on what they described in June as their determination to do everything possible as quickly as possible. There is serious uncertainty about whether real reforms will be adopted. Whatever emerges will, of course, be hailed by leaders as visionary. In reality, however, people no longer listen to their rhetoric because experience has taught them to wait to discover the substance.

1 o'clock

The case for a lifting of the burden of much of Ireland's bank related debt is rarely aired in public by the Taoiseach beyond generalities. An exception to this rule was made by him in October, when he said: "Ireland was the first and only country which had a European position imposed upon it in the sense that there wasn't the opportunity, if the government so wished, to do it their way by burning bondholders." That is a powerful argument, because it is true. However, the Government has used it very rarely. It has preferred to keep up with empty political talking points. It prefers to keep up the claim of a bad deal, because saying it was the acceptance of an imposed position with no alternative available does not get the backbenchers excited.

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The main tactic the Taoiseach has adopted at Council meetings so far has been to hope that something turns up. The ongoing Greek crisis has meant that on two occasions, significant interest rate cuts have been made available to all countries. In June, pressures applied by Spain won agreement to the principle of European financing of bank-related debt and a resolution regime which allows the burning of bondholders. The fact Ireland was not expecting or pushing for anything then was shown by the fact that the Tánaiste flew home early and had to do his interviews claiming credit for the deal in Dublin. As matters stand today, the public has no idea of what is being sought by the Government. The goalposts have been moved so often that there is now no doubt that the priority is to ensure the Government can claim whatever emerges as a victory. This is probably the major reason behind the failure to set out a definition of debt sustainability. We have just had a budget announced, but not one Member of Government has been willing to say what he or she believes is a sustainable level for our debt.

The promissory notes were structured in such a way that the interest returns to the State through our Central Bank. At the moment, it is the principle that matters and this is a burden too heavy for us to bear. Due to the way the notes were structured, a subsequent negotiation was always required. However that appears to have started seriously only in recent months. Last year's proposed technical paper - does the Taoiseach remember that, I think he got a year out of it? - never appeared and the Minister, Deputy Noonan, moved on to talking about selling bank shares to the ESM before he abandoned that as well.

Without a major deal, which we believe is justifiable, next year a further €3.1 billion will be converted from promissory notes into normal interest-bearing Government bonds. This will continue for ten years, by which time there will be nothing left but the full incorporation of all bank related debt into our sovereign debt at market rates. This matters more today than it did a week ago, because we now have evidence that the Government is missing its budgetary targets. Its decisions have pushed down confidence, growth, revenue and employment. Its Ministers have failed to deliver on spending commitments, with the Department controlling the largest discretionary budget in chaos and controlled by a man whose colleagues brief against him daily. Without a significant deal on the promissory notes, the suppressed revenue and overspending revealed last week will require increased adjustments. Given how these issues have been handled so far, they will further depress the economy and increase unfairness.

The Minister for Communications, Energy and Natural Resources, Deputy Rabbitte, is a man who has a career-long commitment to trying to shake foundations with his words, irrespective of the facts lying behind these words. He was at this again on Sunday, with his claims that the Government "has no intention of paying the promissory note", saying "we didn't pay it this year". Extraordinarily, the Tánaiste repeated most of these words yesterday in Brussels, although I am aware the Taoiseach took a different tack. Not only did the Government pay the promissory note this year, but the ECB issued a press release praising it for paying it in full and on time. What the Government did was convert the note into a 12-month bond, bought by the Bank of Ireland, with the Government paying the Bank of Ireland millions in profits. Because of the subterfuge used by the Government in trying to manipulate media coverage, it took a while for this to be spotted. If this is what Labour Party Ministers define as not paying it, they are fooling no one.

Given how Labour's way was abandoned even before the Government was formed, the idea that the Tánaiste and his predecessor as leader are getting tough has been dismissed. At best, it is believed they are trying to talk up their role in a deal they feel may be on the way. Because the Government has refused to publish any technical papers about what it is seeking, fi-

nance experts have been left to patch together ideas. Professor Karl Whelan of Trinity College, who has been consistently ahead of Ministers in understanding the operation of the promissory notes, has estimated that over half of the burden of redeeming the notes and converting them into standard sovereign debt could be lifted in certain circumstances.

Given the role that Ireland played in being willing to act in the interests of the wider euro-zone, we deserve a concrete lessening of the burden of the debts we took at a critical moment. Without this, our fiscal consolidation may be deeply undermined. I believe there will be a deal on the promissory note and that if it is based on principles which have been agreed by Europe's leaders under pressure from other countries, it will make a significant difference to our budget.

It is time for the Taoiseach and the Government to put aside the public relations posturing and to be open with the people. They should publish the documentation they have submitted to the ECB and tell us what they believe is a sustainable level of debt and what they believe Ireland is entitled to out of fairness. If the policy continues to be to say as little as possible and to claim everything as a victory, there will be very negative reactions, and not just from the Irish people.

The Presidents of both the Commission and the Council have produced documents concerning the reform of economic and monetary union, and President Van Rompuy's more limited vision is the one which is now on the table. It is not good enough and the timetable is ridiculous. Even the man who first proposed EMU, Jacques Delors, has talked about the fundamental flaws in the euro which helped cause this crisis. Most of these flaws require changes to the European treaties. Yet, according to the draft conclusions for this week's summit, no such changes will be prepared for at least two years. The communique states that a "common stabilisation function", which is new jargon for actions capable of helping countries in economic difficulties, will not be discussed until after the next European Commission takes office in late 2014.

How can this be a credible response to a crisis which has seen unemployment grow to nearly 19 million people? How can it give confidence to investors who fear that governments do not have the commitment to get Europe back to real growth? It is long past time for the Taoiseach to set out the reforms Ireland wants to see implemented. The policy of supporting anything, as long as there is no referendum must end.

The summit will also issue conclusions relating to the development of the Common Security and Defence Policy, CSDP. The draft states that the pooling and sharing of military capabilities should be pushed forward and it is quite assertive in developing this dimension of the Union's work. While there is nothing to indicate this, I assume the Taoiseach has already said that we do not want to pool or share many of the defence capabilities of other states. I hope the Taoiseach will clarify this in his response. Nothing will be decided until next December, but we should set out now that we do not think that the development of the CSDP is a priority and that the case for significant development has not been made. Recent changes to the treaties should be given time to bed down. Let us see how the European Union works in this area and, in particular, let us see if it can develop itself successfully as a support to the United Nations.

With regard to foreign policy, the summit should set out a strong and united EU position in opposition to the outrageous behaviour of the Netanyahu government in pushing ahead with escalated settlement building. This is a highly provocative move, without any regard to UN resolutions, the European Union, the US position or international law, which sets back any prospect for meaningful talks towards a durable peace process and settlement.

An Leas-Cheann Comhairle: I call Deputy Gerry Adams, who is sharing time with Deputy Seán Crowe.

Deputy Gerry Adams: The Tánaiste and the Taoiseach seem to have a difference of opinion on comments made by the Minister for Communications, Energy and Natural Resources, Deputy Rabbitte, that the Government will not pay the €3.1 billion promissory note due on 31 March. The Government seems to have developed a habit of sending the wrong or mixed messages to its masters in the European Union. Sinn Féin should not need to tell the Government that this money cannot and should not be paid. The citizens of this State cannot afford it. The Government needs to be as tough on this issue as it is when it is cutting the respite care grant, child benefit and the back to school clothing and footwear allowance and when it is taxing maternity benefit. The Taoiseach should be as tough in this case as he was earlier when he said the Government is not for turning when it comes to deal with the carer's respite allowance.

When the Taoiseach told citizens during last year's general election campaign that he would stand up for Ireland's interests, he meant this part of Ireland. As I have said previously, geography is not the Taoiseach's strongest point. The Tánaiste told us last year that it would be Labour's way or Frankfurt's way, but instead the Government has gone Fianna Fáil's way. The policy of giving blank cheques to the banks has been continued. The Taoiseach told the Dáil in June of this year that a deal had been done and that the legacy debt issue was sorted. Six months later, we are no further forward. The Taoiseach did not even raise the bank debt issue when he met Chancellor Merkel in November. He did not raise it at the last EU summit. As far as I can see from the statement the Taoiseach has made today, the bank debt issue is not on the clár for this summit. When will the issue be raised? Will the Taoiseach give a commitment to raise it this week?

It seems that the ability of the State to exit the troika programme in 2013 and return to the markets in 2014 will depend in large part on whether a creditable deal on banking debt can be secured. The debt as it currently stands is not sustainable. The Government should not be asking citizens to pay it because it is not their debt. Approximately a quarter of all money raised in taxes next year will be used to pay interest on this debt. The Taoiseach knows this. The debt accrued by private bankers is being paid by carers. Payments such as child benefit and the back to school uniform grant are being reduced so that it can be paid. A tax is being placed on the family home in order to pay it. The Taoiseach needs to give citizens some certainty about his strategy and the timetable he is working towards.

The Taoiseach mentioned the road map that the President of the European Council, Herman Van Rompuy, the President of the European Commission, the President of the European Central Bank and the President of the Eurogroup were asked to draft at last June's summit of EU leaders. At that time, we were told that a specific and timebound roadmap would be in place by December. It is supposed to pave the way for the reduction of national fiscal and economic sovereignty in the interests of deeper economic and monetary union. I remind the Taoiseach that Sinn Féin is opposed to this. The Government needs to give citizens its detailed view in support of it.

Last month, the EU leaders failed to agree a new seven-year budget. The Government will have to take up this challenge in the new year when it assumes the Presidency of the EU. The German Chancellor indicated earlier this week that she is sceptical about the potential for progress. She appears to want to reduce expectations. The Tánaiste indicated yesterday that he expects new powers allowing the ECB to supervise banks to be agreed by EU leaders at

the forthcoming summit. Does the Taoiseach share that expectation, in light of the attitude of the German Chancellor and her finance minister, who has warned against the EU moving too quickly and voiced objections to the ECB taking supervisory responsibility for all 6,000 euro-zone banks? Does the Government believe the legacy bank debt and promissory note issues, in respect of which it has made many false promises, will be settled before March? What is its strategy? Does it expect agreement to be reached on the use of the European Stability Mechanism to deal with legacy debt? Will we eventually get the long-heralded technical paper on the promissory note?

As I said in my opening remarks, Sinn Féin has been saying from the outset that this debt should not be paid. One of the first things the Government did when it came into office was pay a €3.1 billion promissory note instalment. I reiterate that this is not the people's debt - it is the private debt of bankers and speculators which has been lumbered on the backs of citizens. Last week's budget underlined the price that citizens, particularly the most vulnerable and disadvantaged people in our society, are having to pay so that the private debt of bankers and speculators can be repaid.

The issue of Palestine needs to be raised at the forthcoming summit. The conflict in Gaza was intensifying at the time of the last EU summit. Like all Members of the House, I welcomed the recent ceasefire in the region. The UN General Assembly recently voted in favour of granting non-member observer status to the Palestinian state. The Government supported that and I supported and welcomed the Government's position. I congratulate the Palestinian Authority on its securing of such a resounding diplomatic victory. However, the inflammatory response of the Israeli Government, in embarking on further settlement expansion, will undermine the prospects for peace. While I welcome the criticism by EU foreign ministers of Israel's actions, we need to go beyond rhetoric on this issue. The increase in settlement construction, like the construction of the separation wall and the siege of the Gaza Strip, is in violation of international law. In spite of this, the EU is continuing to give Israel preferential treatment in European markets and is refusing to ban the importation of products from the illegal Israeli settlements. I ask the Taoiseach to raise this issue at the forthcoming EU Council meeting. The EU and Ireland should take a leadership role in this regard. We should use what influence we can to bring about a proper settlement and a proper peace process in that region.

I would like to conclude by asking the Taoiseach to raise the de Silva report on the Pat Finucane case, which was published today, formally and informally at the forthcoming summit. I have asked the Taoiseach on a number of occasions to ensure the State's diplomatic and consular services and its influence with other states at every international forum, including the EU, are used to ensure the Finucane family gets the justice it is demanding.

Deputy Seán Crowe: Once again we meet in this Chamber before a European Council summit. I wish the Taoiseach and his officials every success in the difficult negotiations that lie ahead. I think that sentiment will be shared by all parties, groups and individuals in this House. I ask the Taoiseach to stand up for Ireland and its people, many of whom are being crippled by austerity and are hanging off a financial cliff by their fingernails. Irish citizens want him to fight more aggressively for a deal that will separate sovereign debt from the private debt that is being loaded on the shoulders of hard-pressed taxpayers. The actions of the Greek Government, in securing a new partial deal on its debt, have shown there is real scope for countries to secure a write-down on debt. It is clear from the Greek case that a Government that negotiates strongly can receive a deal on its debt. Like the previous speakers, I would like to know the Government's negotiating strategy. What outcome does it expect from these negotiations? What is the

specific timeframe under which it is operating? Does the Taoiseach agree that it would be much better to secure a deal before Ireland assumes the EU Presidency? I accept that is unlikely to happen.

This Government was elected on the back of promises that were made to an electorate that expected and demanded a new approach. We have seen very little that is new in this Government's approach or its policies. Its negotiating strategy seems to be going nowhere. This Government has not brought about any significant change in the well-being of the Irish economy. It has consistently failed to deliver a deal to remove the burden of private banking debt from the shoulders of taxpayers. That burden is not what the people of Ireland want. That is not the mandate for which the Government was elected. Ireland's private and public debt is unsustainable - it is that simple. Irish taxpayers are rightly incensed and outraged at being asked to fund payouts for unsecured bondholders. Will the Taoiseach be adopting a new approach? Will he be arguing for debt write-off and a substantial stimulus package to create jobs and growth?

People across Europe are concerned about the increased federalism of Europe. They feel their countries are rapidly losing sovereignty, with the EU becoming more autocratic and dictatorial and less democratic. Many Government MEPs voted in favour of a motion which called for a leap towards a federal union in Strasbourg last week. Does the Government share these views and will this significant departure be discussed at the Council meeting?

Yesterday, I heard from European Movement Ireland, which gave an accountability report for 2011 tracking Ireland's engagement with the EU. Ministers' attendance is up, as one would expect given that the root of many of our problems lies with the EU and its policies. The report is critical, however, of Irish MEPs' engagement and particularly their input at the pre-legislative phase. It suggests that they appear to arrive at the debate when it is already half over, or not at all. Their weak engagement seems to mirror that of the Government in Europe, engaging with the EU on key issues too late, or not at all.

Lack of accountability is becoming a real problem for citizens across the Union. I recently met some British MPs who said the Prime Minister, Mr. Cameron, will make a keynote statement in January. Many believe this will be a game changer for Britain and will signal its withdrawal from the EU. Is the Taoiseach aware of this pending statement? Has he considered the potentially serious implications this will have for Ireland and particularly the potential difficulties this will cause in Border regions? There is a strong view not only across the British Labour Party but also among Conservative Party members that this will happen sooner rather than later. It will have serious implications for Irish people on both sides of the Border and will also have an effect on Ireland's relations with the EU.

I am disappointed the EU has given the green light to a free trade agreement with Colombia. All major trade unions in Latin America, most of the human rights and environmental organisations and many parliamentarians have come out against this free trade agreement. We know Colombia is the most dangerous place on earth to be a trade unionist. Yet the Colombian authorities have offered nothing but weak promises on the issue of workers and human rights. Those forces in Colombia which are committed to democratic and peaceful change need support from the outside world. This agreement is seen by many, particularly during these sensitive times when negotiations are ongoing between the Colombian Government and one of the rebel groups, as rubber-stamping human rights abuses, and it will have a negative impact on the push for civic society to be involved in negotiations and to bring about positive change in regard to land reform and so on.

With regard to the Palestinian situation, will the Taoiseach raise the issue of Israeli decision to create new settlement colonies in the West Bank? Some 3,000 new illegal settlement homes are due to be built in the highly contentious E1 zone of the West Bank. Existing Israeli settlements currently form a near-complete ring around East Jerusalem. E1 is the last gap in the ring. If Netanyahu builds on E1, it will seal off East Jerusalem and split the West Bank in half. This means any future Palestinian state would lose its ancient capital, which puts a two-state solution in real jeopardy. While the EU will probably use strong rhetoric and criticise Israel, will the Taoiseach argue in favour of the EU's introducing concrete punitive measures such as banning goods from illegal Israeli settlement colonies in the West Bank? I believe such a ban would help stop the spread of illegal settlements, as the EU is already a major trading partner of Israel. It would also send out a very strong signal that Ireland and Europe will not stand by while Israel continually breaks international law and commits human rights abuses in the occupied territories.

Deputy Stephen S. Donnelly: I wish to share time with Deputies Clare Daly, Mick Wallace and Mattie McGrath.

An Leas-Cheann Comhairle: Is that agreed? Agreed.

Deputy Stephen S. Donnelly: Yesterday, I spent an hour on the radio debating with the German ambassador. Among other things, we debated Ireland's banking collapse and the subsequent €64 billion of debt. The ambassador is clearly a man of integrity and he is very well informed on financial and geopolitical issues. What he had to say on the banking debt was very interesting. In essence, he said the banking debt was our problem, that we had created it and that it was up to us to solve it. He said it was our choice to guarantee the banks and he also said there was no international pressure being put on Ireland to carry through payments of bondholders, payment of promissory notes and so forth.

What he said was reminiscent of what I have heard in other parts. A few months ago, members of the Oireachtas Joint Committee on Finance, Public Expenditure and Reform met members of the Bundestag finance committee, and what they said was very similar. They said we caused this and we need to fix it, so we must take the hard medicine and be very cognisant of the support we are receiving from the German people. If the Tánaiste talks to our MEPs, as I am sure he does regularly, he will be aware they tell similar stories of the European political establishment - people feel this was our fault, that we need to get ourselves out of it and that Europe is supporting us. Further, they will tell us we are on the road to recovery. The message is that we caused the problem, it was an expensive problem, we need to fix it and they are supporting us, but things are turning good for us so we should just get on with it.

I make the point to the Tánaiste that not only are these views incorrect, they are very dangerous for the Government's efforts in trying to negotiate a substantial write-down on the €64 billion. Obviously, some of the banking collapse was caused in Ireland. Fianna Fáil did allow loose regulation and did guarantee the banks, supported by Fine Gael. However, there is no doubt international pressure is being put on the Government to continue paying unguaranteed bondholders and the promissory notes.

Of course, the banking collapse was not just our problem; it was Europe's problem and, in truth, it is Europe that has gained. We have not gained. Most of the banks are gone - they are dead, or should be dead. It was Europe that gained, particularly in terms of financial stability. Unfortunately, contrary to the figures thrown around at budget time, I do not believe we are

on the road to recovery. Unemployment is not falling, or not really, emigration is rising, there are 35,000 fewer people at work now than there were one year ago and economic growth is tenuous. Indeed, if we were to take a close look at where that tenuous growth is coming from, a good portion of it is actually down to accounting measures rather than a real increase in productivity in the export sector. Sadly, we are not 85% of the way through the correction - that is based on one accounting figure for the promissory notes. We are actually less than halfway through. I take no pleasure in saying this. Unfortunately, I do not believe we are yet on the road to recovery. We need this deal and we need a balance between fiscal consolidation and investment to achieve that.

Why is this happening? I would say it is partly down to a diplomatic failing on behalf of the Government and, maybe, of all of us. The Government has focused on rebuilding Ireland's reputation, and for very good reason. However, I believe the balance is now incorrect and that the Government may have sacrificed much-needed honesty about what happened and what is happening here, and the pain the Irish people are taking for goodwill, important though that goodwill may be. My message before the European Council meeting is this. I believe it is time to redress that balance. It is time to have a robust and honest conversation with our European partners, including the ECB and the Commission, about what happened here, about who paid for what and who has gained, and about the fact we are really not being supported by Europe. Our so-called rescue package, as the ambassador put it, was, in fact, a rescue package for the European financial institutions. I accept that the Tánaiste's position is difficult, but I ask him to take a much more robust position on these issues. I do not say this lightly and wish him good luck in his endeavours.

Deputy Clare Daly: As the Tánaiste prepares for his next European outing, it would be remiss not to mention his participation in the utterly ludicrous and outrageous presentation of the Nobel peace prize to the European Union. This participation represented a shocking failure on the part of the Government, a missed opportunity to boycott the event and take a stance against the galling hypocrisy that saw a militarised European Union, which has participants in Iraq and Afghanistan and which numbers among its ranks some of the largest arms manufacturers in the world, granted such recognition. It is a sick joke.

The Taoiseach's presentation included only a few lines on the important foreign policy issues that will be addressed at the Council meeting. It is very important that the Government departs from its complicity in the lack of action we are seeing in some of these areas. In particular, the Israeli offensive against Gaza and the continuing extension of settlements on the West Bank are an outrage. Simply stating one's opposition to such activity is not good enough, particularly when the European Union does the opposite of what it says by maintaining its position as Israel's largest trading partner. It is a case of conflicting signals, with the Union giving Israel a little tap on the shoulder, while at the same time embracing it with open arms. The Israelis responded to the United Nations decision to afford Palestine enhanced observer status with a two finger gesture in the form of its extension of the settlement programme. In the face of such determination one can talk about it or one can do something about it. As Ireland prepares for the Presidency of the European Union, the time is right to take action. Words are no longer enough. The Irish Congress of Trade Unions and others have called for a ban on goods from the settlements. At the very least, the implementation of EU regulations on consumer branding and so on should proceed without delay. Unfortunately, I do not have enormous confidence that the Government will steer action in this regard, particularly in the light of the Tánaiste's antics in the European Parliament yesterday.

Deputy Seán Crowe referred to the conclusion of the free trade agreement with Colombia and Peru. This, more than anything, is an indictment of the Government and its actions in Europe. There has been a great deal of comment in the media recently on the betrayal of its voters by the Labour Party in respect of the domestic policies it has pursued in government. The party should have no less cause for shame when it considers that every single trade union federation, non-governmental organisation and human rights body lobbied against ratification of an agreement with Colombia in the light of that country's systematic abuse of human and workers' rights. On the other hand, the lobbying by business interests seems to have been much more successful, those interests having been supported and vindicated by the agreement. It is an absolute disgrace and the Tánaiste, in particular, given his record in opposition, should be ashamed.

We should not be surprised that such agreements are countenanced because that is the mark of the European Union in both its foreign and domestic policies. Other Deputies referred to the worsening economic crisis and growing instability across member states. That is a consequence of the continuation of austerity which has had a calamitous impact on people throughout Europe. Unless those policies are addressed and until there is an end to the foisting of private debt onto the shoulders of the public, we will not have a better Europe but rather a recipe for ongoing instability and crisis.

Deputy Mick Wallace: It is my expectation that some form of debt relief will be put in place. When matters go to the brink, the European Union tends to do what needs to be done. An agreed scheme of debt mutualisation is essential for all economically troubled countries in Europe. For now, however, the Government must make clear to its counterparts in Europe that the social fabric of this country is under threat and that we are on the edge of an abyss as more and more people are driven into poverty. When the relief is eventually provided, some of the long-term damage may be irreparable. This country needs help now - waiting until after elections in other countries will inflict further wounds on those least able to deal with the pain. Austerity and the associated cutbacks in State expenditure are having a counterproductive effect. Moreover, the full calamitous impact of the cutbacks is still to be seen. The long-term outlook is very worrying in many ways.

Yesterday we learned that the troika was pushing for reform of repossession law in this country which, it claimed, was crucial to Ireland's economic recovery. A more general policy of repossession by financial institutions will not do much for social recovery. A report in the *Financial Times* today includes a comment by Noeline Blackwell of the Free Legal Advice Centres:

This is a social problem for the state because there is no social housing coming on stream and the mortgage to rent scheme is simply not happening. Lenders will also face problems trying to sell properties in a market that is scraping along the floor.

The notion that we should give the banks greater capacity to throw people out of their homes is a very frightening one and I hope the Government will not go down that track.

Following the decision to award the Nobel peace prize to the European Union, I ask the Tánaiste to remind his European colleagues of Alfred Nobel's stipulation in his will that the award should go to those who do most to achieve military disarmament. The reality is that Europe exports one third of the world's arms. The intra-Community transfer, ICT, directive, which amounts to a deregulation of the rules governing the export of arms, is cause for serious

concern. I accept completely that the notion of France and Germany ever again going to war against each other is no longer credible. The idea of a united Europe was and is an excellent one. However, it is sad to see these countries so dependent on the arms industry for profits. They have been promoting it to such an extent that Greece which spent €7 billion importing arms last year was not allowed to cancel its arms purchase contracts, even though its citizens were hungry.

Deputy Mattie McGrath: I welcome the opportunity to contribute to this discussion. I bear no ill will towards either the Taoiseach, the Tánaiste or the Minister of State, Deputy Lucinda Creighton, and wish them well in their engagements in the European Union. However, the public has grown weary of the process of Ministers wasting jet fuel travelling elsewhere in Europe. The Government should have put a double carbon tax on that fuel expenditure because it is a waste of time and money. I remember the Tánaiste's righteous indignation when he stood on the other side of the House and used phrases such as "economic treason", yet he has the audacity to accept Ireland's share of the glory when the European Union is awarded the Nobel peace prize.

I am not concerned with discussing any country other than our own. In the fullness of time, when the history of this period is written, I expect that we might well deserve a Nobel prize. It will not, however, be for making peace but for picking up the shattered pieces of the Irish race. If the Government persists in the policies it is pursuing - the same policies pursued by its predecessors, among whom I was numbered before I stood up and railed against them - that is how the Tánaiste will be remembered. It would be a sad legacy for a man who began his career in student union politics before coming through various left-wing parties. How can he allow his party to become the mudguard for a capitalist party such as Fine Gael and be dictated to on issues which should be matters of strong principle for it, particularly in the budget.

The Taoiseach refuses to engage with Mrs. Merkel and company and tell them the real story of Ireland in 2011 and 2012. That must be done now and the troika should be told the same. It was incredible to wake up this morning and hear that, at the behest of the troika, or some greater power within it, the Government would change Irish law, perhaps as soon as next March, to allow the banks to carry out much greater numbers of savage repossessions. I urge the Tánaiste to recall Michael Davitt of the Land League and those who worked with him. He should also remember James Connolly whose life was commemorated in Clonmel last week. I was glad to welcome the Tánaiste to the town on that occasion. He must look into his conscience and consider whether he was elected to behave in this way, whether these are the policies he would seek to expound. He will surely agree that a mockery is being made of our democracy. I am very concerned because I do not understand how he has gone so wrong. I watched the present Government when it was in opposition and most of the time I admired it. Whatever it is that happens when Deputies take those seats, we will have to reshuffle the House and put the seats on this side, or whatever, in order to change the contamination that has got into our being as a political race. We are subservient and no longer proud of ourselves and we do not stand up for our people, which is what we were elected to do. We should fight back and demand rights and respect rather than give the Taoiseach pats on the back and have awards and different images on front pages of magazines. I will not stray and use the wrong word. I wish him well, as I do the Tánaiste. However, the people are not able, willing or ready to suffer any more at the behest of the harsh austerity being imposed by the troika, whose representatives I have met on three occasions. The Government has done a good job in hoodwinking and fooling them and telling them untruths, a word I hate to use. I asked the troika people to send their own scouts into towns,

villages and cities and workplaces to see what is going on and find out for themselves that what they are being told is a pack of gobbledegook. The reality of what is happening in Ireland must be brought home to the people in Europe.

The Government has the opportunity, in the EU Presidency it will assume shortly, to take this up, engage meaningfully and do the job it is paid to do, namely, to represent the Irish people as their solemn elected Government rather than to kowtow and lie down under the bully boys of Europe. We are entitled to a reasonable standard of living and time to pay back our debts - which we never fail to do. We are entitled to have a bit of dignity.

Tánaiste and Minister for Foreign Affairs and Trade(Deputy Eamon Gilmore): I listened to what Deputy Stephen Donnelly said about the debate he had on radio with the German ambassador. He told us much of what the ambassador and other people he has been speaking to have been saying but unfortunately he did not tell us what he said in return, although I imagine we can find that out. I hope he drew the attention of the ambassador and others with whom he spoke to the agreement that was made in June in respect of a banking union and the separation of bank debt from sovereign debt and, in particular, to the commitment made by European leaders at that meeting that the Irish financial situation would be examined with a view to improving its sustainability. I hope that he and other Members of the House who engage, whether with ambassadors, Members of the European Parliament or people they come across in their own Europe-based political parties and groupings, mention the fact that a clear agreement was made in June that the Irish situation would be examined, a banking union would be set up and there would be a separation of bank and sovereign debt. That is critically important for this country.

As many Members of this House have rightly pointed out in the course of this debate, the separation of bank debt from the State is critically important in order to lift the burden of that debt from the backs and shoulders of the Irish taxpayer. It is the objective of this Government to achieve that. The Irish people have borne a very big burden for what happened in both our own and the European economy. Decisions were made in October about the establishment of the single supervisory mechanism which is key to the putting in place of the banking union. It is important that those decisions are implemented. Today, for example, the finance Ministers at the ECOFIN Council will be discussing that very matter and I hope and expect this issue will be before European leaders when they meet at the meeting of the European Council. I hope the discussion that will take place around economic and monetary union and the strengthening thereof will be very much about issues which, ultimately, are about lifting the burden that has been placed on the taxpayer and ensuring there is a shared approach to the banking and financial crises across Europe. I hope that the burden the Irish people and their State have had to bear is something that will be approached in a shared way for the future.

I am disappointed at the degree of cynicism that has been expressed in the Chamber about the Nobel Peace Prize. There has been much discussion about Europe in terms of its economic issues, the banking and financial crises and the difficulties of the euro. It is worth reflecting on the origins of the European Union. The Continent was ravaged by war in the 20th century - two of the biggest wars the world has ever seen, in which the main protagonists were European states. Those protagonists are now part and parcel of a European union. It is not only the great world wars that took place - one must also think of the dark night of fascism that hung over Spain, Portugal and Greece. This was lifted and those countries brought into the European Union family. There was the huge change that took place after the collapse of the Berlin Wall. There was the contribution the EU made to the bringing of peace, in particular to the Balkans. There is the work the Union is doing now in trying to bring peace to areas where conflicts are

still murmuring away, such as those in the Caucasus. There is the work the EU is doing in areas such as Syria, and also in Africa, using the so-called “soft” power of the Union, as well as development aid and the strengthening of issues such as policing, civil society and so on.

In itself, the European Union is probably the best example of how Europe moved from resolving its differences by having wars to resolving them around the conference table. It continues to make that contribution, bringing peace to other parts of the world. It is not a subject for cynicism, rather it is something of which we, as European people, ought to be proud. We should contribute more to it.

Topical Issue Matters

An Leas-Cheann Comhairle: I wish to advise the House of the following matters in respect of which notice has been given under Standing Order 27A and the name of the Member in each case: (1) Deputy Luke ‘Ming’ Flanagan - the reduction of weekly payments to those on the back to education scheme; (2) Deputy Alan Farrell - local property tax and proposed exemptions within the pyrite panel report; (3) Deputy Patrick O’Donovan - the need to make provision for transport for those patients requiring transport to and from hospitals from remote areas for life saving and prolonged treatment, including cancer care; (4) Deputies Clare Daly and Joe Higgins - the possible closure of the adult refugee programme; (5) Deputy Pearse Doherty - concerns in isolated rural communities arising from the reduction in Garda resources in recent years; (6) Deputy Aengus Ó Snodaigh - the change to the PLC teacher-pupil ratio; (7) Deputy Willie Penrose - the need for the HSE to honour agreements and commitments made to home helps in 2009 and to engage meaningfully with the Labour Court; (8) Deputy Noel Harrington - the imminent closure by the Courts Service of the courthouses in Kinsale, Skibbereen and Clonakility, County Cork; (9) Deputy Éamon Ó Cuív - the need to maintain the rural social scheme; (10) Deputy Charlie McConalogue - the impact of a number of cuts in budget 2013 to the further education and training sector; (11) Deputy Paul J. Connaughton - the closure of Garda stations in County Galway; (12) Deputy Derek Keating - the increased incidence of tuberculosis throughout Dublin city and county; (13) Deputy Shane Ross - the proposed closure of Stepside Garda station, County Dublin; (14) Deputy Thomas P. Broughan - the need to address the growing housing waiting lists on Dublin’s northside and particularly in the Dublin City Council administrative area; (15) Deputy Marcella Corcoran Kennedy - the need to ensure that those on low incomes or the elderly will receive grant aid in the event of a requiring a septic tank replacement following an inspection; (16) Deputies Gerry Adams and Micheál Martin - the publication today of the de Silva report and the support for the Finucane family’s demand for a public inquiry; (17) Deputy Patrick Nulty - the decision of the HSE to recruit 1,000 nursing graduates on lower terms of employment than existing staff; (18) Deputy Robert Troy - the Supreme Court’s judgment in the case of Mark McCrystal and the Minister for Children and Youth Affairs, the Government of Ireland, Ireland and the Attorney General; (19) Deputy Kevin Humphreys - the need to introduce a regulator for the waste industry; (20) Deputy Seán Kyne - the need to recognise and plan for the distinct challenges faced by Gaeltacht schools; (21) Deputy Mattie McGrath - the McCrystal judgement handed down by the Supreme Court yesterday; (22) Deputy Michael McGrath - the possible introduction of legislation to address the issue raised in the Dunne judgment concerning home repossessions; (23) Deputy Dessie Ellis - the implications of cuts to St. Michael’s House national school, Ballymun, Dublin; (24)

Deputy Mick Wallace - the need to prevent the repossession of family homes in the new year; and (25) Deputy Richard Boyd Barrett - the agreement with the troika concerning bank repossessions of family homes.

The matters raised by Deputies Gerry Adams and Micheál Martin; Marcella Corcoran Kennedy; Kevin Humphreys; and Éamon Ó Cuív have been selected for discussion.

Ceisteanna - Questions

Priority Questions

Acting Chairman (Deputy Robert Troy): These are Priority Questions to the Minister for Finance.

Deputy Alan Shatter: I think the Acting Chairman means the Minister for Defence.

Acting Chairman (Deputy Robert Troy): I apologise; the Minister for Defence.

Deputy Alan Shatter: My life is complicated enough without my becoming Minister for Finance.

Deputy Seán Ó Fearghaíl: The Minister is double-jobbing.

Deputy Alan Shatter: Two jobs are enough. Three would be just too much altogether.

Defence Forces Reserve

1. **Deputy Seán Ó Fearghaíl** asked the Minister for Defence the key changes he is proposing regarding the Reserve Defence Forces; if legislation will be necessary to effect these changes; and if he will make a statement on the matter. [54929/12]

(Deputy Alan Shatter): I am pleased to have the opportunity to discuss the key changes that are being introduced in order to ensure the future viability of the Reserve Defence Force, RDF. A value for money review of the RDF was recently completed and published. This review highlighted a range of issues that need to be addressed in order to improve the cost-effectiveness of the RDF; it also highlighted that existing organisational structures are not fit for purpose. The current effective strength of the RDF is approximately 4,500 personnel and the organisational structures were designed for a strength of 9,692 personnel. The review found that this strength was not achieved from 2006 onwards, despite the fact that there were no restrictions on recruitment prior to 2009. It also highlighted significant issues with regard to low uptakes of training within the RDF and a high turnover of personnel. All of these issues have an adverse impact on the efficiency and effectiveness of the RDF.

A major reorganisation of the RDF is one of the key changes being introduced to address

these findings. The new organisational structure for the Army Reserve is based on a single-force concept under which Defence Forces units will have permanent and reserve elements. These units will be based in Permanent Defence Force, PDF, installations throughout the country and in 16 locations outside of those installations. This new model will offer significant advantages in terms of training and improved interoperability and will enhance the overall capability of the Defence Forces. The changes to which I refer will reduce direct expenditure on the RDF by €11 million, while maintaining the budget for reserve training activity.

The new organisation is based on a revised strength ceiling for the reserve of 4,069 personnel - that is, 3,869 in the Army Reserve and 200 in the Naval Service Reserve. This strength level was recommended in order to ensure the maintenance of appropriate reserve capabilities within the existing resource constraints. This requires the withdrawal of gratuities from members of the reserve and reassignment of the budgetary provision into paid training. I have requested the Chief of Staff to report back to me on the other important recommendations contained in the report, including the First Line Reserve, training and recruitment and retention.

Additional information not given on the floor of the House.

Changes to Defence Forces regulations will be required for the new organisational structure. They may also arise in respect of other developments such as the increased use of the reserve in a voluntary unpaid capacity for aid to the civil authority tasks or changed criteria for retention on the effective strength of the reserve. I wish to emphasise that the contribution and commitment of each and every member of the reserve is appreciated. I sincerely hope that all members of the reserve will continue to serve within the new organisation.

Deputy Seán Ó Feargháil: I thank the Minister for his reply. I acknowledge that there was a significant decline in participation in the RDF, particularly during the middle part of the previous decade. One is obliged to wonder why that decline occurred. I also wish to acknowledge the substantial contribution made to the State and local communities by the RDF in its many previous manifestations - the LSF, the LDF and the FCA - and over many years.

I accept that the Minister has been faced not only with a difficulty in respect of funding - the level of which being made available to the RDF has been dramatically reduced - but also with one which relates to numbers. The problem is that he is now perceived as being extremely effective when it comes to wielding the scalpel. People within the RDF look at him as the person who reduced the number of brigades from three to two. They are also aware of what he, as Minister for Justice and Equality, has done to the Garda station network throughout the country. Does the Minister accept that there are very real and grave concerns to the effect that he has embarked upon a course that will eventually lead to the evisceration of the RDF as we have known it?

Deputy Alan Shatter: The Deputy will not be remotely surprised if I disagree with what he said. What we have tried to do is to effect a reorganisation of the RDF which reflects the reorganisation of the PDF in order that the former will be fit for purpose and include a restructured organisation which will result in a greater connectivity with the latter. We must encourage those committed individuals who are proud of their participation with the RDF and who engage in training as required. We must also ensure that money that is spent on the reserve is to the benefit of the community.

In the context of the review that was undertaken, there are currently some 4,500 members of

the RDF. The most recent figure I have in respect of training for members of the RDF relates to 2011, when only 2,010 of these personnel took up the full seven days' training that is required. We are operating in a different environment now and it is not a case of taking the scalpel to anything. What we are seeking to do is to ensure we establish modern structures that reflect the reality of the functions the RDF can perform and that will facilitate greater connectivity between it and the PDF. We must also ensure that resources are not wasted. For example, the numerical strength of the cadre of staff from the PDF designated to provide training to the RDF was based on an assumption that the latter would have a staff in the region of 9,000. An RDF of that size simply does not exist. By reducing the number of PDF personnel detailed to RDF training, we have freed such personnel to engage in normal day-to-day PDF operations and training. This, in turn, has meant that public funds are not being wasted.

I have an obligation, as Minister, to ensure that at a time of reduced resources, when we will be receiving €13.5 billion - the difference between what the State is taking in and what it is spending - from the EU, the ECB and the IMF in 2013 in order to pay for essential services, we use such resources wisely. This is one of our objectives. Another of those objectives is that we should give the RDF a new lease of life. I hope the reforms being introduced will have that effect.

Deputy Seán Ó Fearghail: I accept the point the Minister makes to some extent. However, one must question the extent to which participation in the RDF has been promoted by the PDF. One must also ask whether those who were participating and who had signed up were encouraged to actively partake of the training courses on offer. Will the Minister provide an explanation as to the impact on serving members of his proposal to withdraw gratuities and redirect the money involved towards the provision of additional training? Substantial savings to the Exchequer have already been achieved. There would be manifest benefits to the Department, the PDF and society at large were we to encourage many of those under the age of 25 throughout the country who are unemployed to become actively involved in this form of important civil service.

Acting Chairman (Deputy Robert Troy): As we must move on to the next question, unfortunately there is not time for the Minister to reply.

Deputy Seán Ó Fearghail: The Acting Chairman is very tough on Members.

Deputy Mattie McGrath: He should allow the Minister to reply.

Question No. 2 lapsed.

Defence Forces Reserve

3. **Deputy Mattie McGrath** asked the Minister for Defence if he will consider retaining the Reserve Defence Forces centre in the town of Clonmel, County Tipperary in view of the fact that there are two units (details supplied); the way he intends existing members based in the Clonmel centre to be accommodated if they have to travel to barracks in Cork and Limerick; and if he will make a statement on the matter. [54996/12]

Deputy Alan Shatter: A value for money review of the RDF was recently completed and published. In my previous reply I outlined the key findings and recommendations contained in

that review. I also set out the necessary changes being introduced to the organisational structures of the reserve. These changes will help to ensure a viable reserve into the future.

The new organisational structures are based on a single-force concept which differs from the current model of reserve organisation. Army units will have permanent and reserve elements, rather than a parallel reserve structure as at present. This approach offers significant advantages in terms of access to equipment and training. Under this organisational model, the only Army Reserve elements outside of PDF installations will be 16 reserve infantry companies. All other Army Reserve combat support and combat service support elements will be co-located with their PDF counterparts in PDF installations.

Acting Chairman (Deputy Robert Troy): Excuse me, Minister; is that the reply to Priority Question No. 3?

Deputy Alan Shatter: Yes. In the case of No. 1 Brigade, this location will be in Cork. On this basis and to achieve a geographic spread, it is no longer feasible to retain reserve elements in Clonmel. While the closure of many RDF locations is regrettable, the findings of the value for money review clearly highlighted that the current approach was no longer viable. All members of the reserve will be afforded the opportunity to apply for positions within the new organisational structures, having regard to their particular needs.

Reserve personnel from Clonmel may choose to apply for a position within their existing corps, which will now be based in Cork. Alternatively, given the distance from Clonmel to Cork, these personnel may choose to apply for a position in an infantry unit. The reserve infantry units closest to Clonmel will be based in Waterford, Kilkenny and Templemore. Personnel will be able to avail of retraining should this be necessary. I reiterate that the contribution and commitment of each and every member of the reserve is valued and appreciated. I sincerely hope that all members of the reserve will continue to serve within the new organisation. This applies equally to all members, including the members in Clonmel.

Deputy Mattie McGrath: I could be forgiven for thinking the Minister's reply to my question was the reply to the first question. All the answers from the Minister are the same. I am really disappointed and quite disgusted with the Minister's attitude towards the PDF and the RDF. I question whether it is constitutionally proper for the Minister to be both the Minister for Justice and Equality and also the Minister for Defence. He has almost banjaxed the two outfits. It is his intent to leave us without any defence. The other day I heard the Minister refer to Derry, An Doire, as Londonderry. I question his fitness for office in these very sensitive positions. I note the Minister's reply to my question about the members of the RDF in Clonmel and his mealy-mouthed words of congratulations and thanks for the service while at the same time he is cutting their gratuity and leaving them go to hell or to Connacht. We kept Cromwell out of Clonmel but we could not stop the Minister from closing our barracks. He will render our gardaí ineffective because they do not have squad cars or tools of the trade. I am quite appalled at the Minister's reply. We want to encourage young people to become involved, to be civic-spirited and to join the RDF. Like Deputy Ó Fearghail, I ask why they were not encouraged to participate in the seven-day training course. The Minister seems to believe the volunteers are lethargic, but I do not think so. There may be other reasons. I ask the Minister, in all humanity, to be fair.

The number of brigades is being cut from three to two. This is a savage attack. We found new premises in Clonmel after a delay of a number of months when the RDF had no place to

train. The volunteers had to stay at home because they had no place in which to train. The Department rented the premises. Is it now the case that the rental contract will be broken? This decision is an insult to the serving RDF members in Clonmel and Tipperary. I pay tribute to their sterling work over the years in support of the Army throughout the county and the country. They are badly served by this Government and by the Minister in particular.

Deputy Derek Keating: This is supposed to be Question Time.

Deputy Mattie McGrath: It is. The Minister answered the question and I am replying-----

Acting Chairman (Deputy Robert Troy): One Deputy at a time, please. Deputy McGrath has the floor. He has four minutes if he wishes to use them.

Deputy Mattie McGrath: Yes, I want to use them. I want to express the disbelief and shock of the people of Tipperary and surrounding districts who have been involved with the RDF over many years. I pay tribute to former members - some of whom are retired and are quite ill - and to current serving members who are being discarded as if they were not fit for purpose or not wanted. Is that the thanks our State offers these people who took risks, who made the choice to undertake a seven-day training course every year and to be available and ready to support the Army and An Garda Síochána at different times? We cannot just close the book on this chapter as if it never happened. Tipperary and Clonmel have a proud tradition of association with the Army for nearly 350 years. The barracks in Clonmel lies empty. People who live next to the barracks have been telephoning me from 24 November until this Monday to complain about the noise of the burglar alarms. This shows the scant interest of the Minister in that institution. The barracks have been handed over to the property division of the Department. It is a listed building which is part of the proud heritage of the connection of the Army with Clonmel and the south east. Business people in Clonmel are very annoyed because when their business security alarms are activated nobody will put up with it. Local people cannot sleep at night because of the noise of the alarms ringing in their ears.

Acting Chairman (Deputy Robert Troy): Question No. 4 is in the name of Deputy Seán Ó Feargháil.

Deputy Alan Shatter: What is happening, a Chathaoirligh? This is Question Time. The Deputy was entitled to put a question to me and I am entitled to respond to it.

Acting Chairman (Deputy Robert Troy): Sorry, Minister; if I may make a point-----

Deputy Alan Shatter: With all due respect, a Chathaoirligh, in fairness to Deputy McGrath, he has put a series of questions to me. There is some misunderstanding on your part as to how we conduct Question Time. I disagree with some things the Deputy has said, but I do not quite understand. It is quite usual that I make an initial reply, after which a Deputy asks a question and I respond.

Acting Chairman (Deputy Robert Troy): With due respect to the Minister and to the Deputies present, I am informed that six minutes are allowed for a Priority Question. Of that six minutes, the Minister has two minutes in which to reply. If the Deputy asking the question wishes to utilise the four minutes remaining he or she can do so.

Deputy Alan Shatter: He can just talk away for four minutes. That is not correct.

Deputy Jonathan O'Brien: The usual allocation is two minutes, two minutes, one minute

and one minute.

Acting Chairman (Deputy Robert Troy): Two minutes, one minute and one minute are the times for Other Questions.

Deputy Alan Shatter: It is not fair to the Deputies opposite. It is not correct.

Acting Chairman (Deputy Robert Troy): A time allocation of two minutes, one minute and one minute is used for Other Questions. I am the Acting Chairman. I am being advised by the clerk in front of me.

Deputy Alan Shatter: I am trying to be of help to the Opposition. In fairness to Deputy McGrath, the Acting Chairman indicated to him that he had four minutes. My recollection from other Question Time occasions is that the Chair normally indicates to the Deputy opposite when he or she had gone past a particular point in order to allow time for the Minister to respond. It is also unsatisfactory for the Minister, whether it be myself or any other Minister. Towards the end of his contribution, Deputy McGrath had a question. In the beginning it was just the usual invective. It would be reasonable if one could respond to his question.

Acting Chairman (Deputy Robert Troy): I am adhering to the advice I have been given. The Chair is impartial. The Deputy has four minutes. I am carrying out the advice to the letter of the law. We must move on to Priority Question No. 4, from Deputy Seán Ó Fearghaíl. The Minister has two minutes to read out his reply and Deputy Ó Fearghaíl has a further four minutes, which can be broken into segments. If Deputy Ó Fearghaíl takes four minutes, well and good. If he does not take the four minutes, the Minister has the option to reply.

Deputy Seán Ó Fearghaíl: To be helpful, I will take just two minutes.

Deputy Alan Shatter: I think there has been a very dramatic change in the way Priority Questions are dealt with.

Deputy Mattie McGrath: The Minister is being unfair to the Chair.

Deputy Alan Shatter: I am trying to be of assistance to Deputy McGrath. For once he might actually not feel the need to shout across the floor at me.

Defence Forces Personnel

4. **Deputy Seán Ó Fearghaíl** asked the Minister for Defence his views on whether there are sufficient opportunities for promotion at all levels of the Defence Forces; and if he will make a statement on the matter. [54930/12]

Deputy Alan Shatter: I announced details of the reorganisation of the PDF on 17 July last, which resulted from the Government decision to maintain the strength of the PDF at 9,500. As the reorganisation entailed a reduction in numbers across all levels of the organisation, it will have some impact on the career prospects of some members of the PDF. The approach being taken in the reorganisation is designed to maximise the operational outputs of the PDF.

The table provided outlines the total number of vacancies by rank, based on the PDF rank establishment of 9,500 as at 31 October 2012, the latest date for which figures are available. Competitions for promotions for enlisted personnel have been completed and promotions of

successful candidates are ongoing. Officer promotion competitions commenced last month, from which there will be promotions in due course. All promotions will be carried out within the resource envelope allocated to the Department of Defence.

In respect of the Reserve Defence Force, the central recommendation from the value for money steering committee was for the retention of the reserve with 4,000 personnel spread countrywide, with these personnel to be based in barracks and in 16 other locations. This will involve the consolidation of existing reserve units throughout the country into a smaller number of full-strength units. The Deputy will appreciate that until there is significant further progress on the implementation of recommendations made in the value for money report, it will not be possible to determine where recruitment vacancies and promotion opportunities may arise. As such, it is not proposed to undertake recruitment to the Reserve Defence Force or promote existing personnel at this time.

PDF strength by rank as at 31 October 2012 versus PDF rank establishment of 9,500

| | 9,500 Rank- Establishment | Strength at 31 October 2012 | Vacancies by Rank |
|--|------------------------------|--------------------------------|----------------------|
| Lieutenant General | 1 | 1 | 0 |
| Major General | 2 | 2 | 0 |
| Brigadier General | 8 | 8 | 0 |
| Colonel | 41 | 34 | 7 |
| Lieutenant Colonel | 137 | 131 | 6 |
| Commandant | 336 | 337 | -1 |
| Captain | 452 | 436 | 16 |
| Lieutenant | 256 | 319 | -63 |
| Sergeant Major | 43 | 35 | 9 |
| Battalion Quartermaster Sergeant | 44 | 42 | 1 |
| Company Sergeant | 245 | 166 | 79 |
| Company Quartermaster Sergeant | 199 | 171 | 28 |
| Sergeant | 1,330 | 1,057 | 273 |
| Corporal | 1,800 | 1,757 | 43 |
| Private (in- cluding Cadet) | 4,606 | 4,656 | -50 |
| Total | 9,500 | 9,153 | 347 |

Note:

Equivalent Naval Service Ranks

Brigadier general/commodore

Colonel/captain

Lieutenant colonel/commander

Commandant/lieutenant commander

Captain/lieutenant (NS)

Lieutenant/sub-lieutenantsergeant mayor/warrant officer

Battalion quartermaster sergeant/senior chief petty officer

Company quartermaster sergeant/senior petty officer

Company sergeant/chief petty officer

Sergeant/petty officer

Corporal/leading seaman

Private/able seaman

Deputy Seán Ó Feargháil: In written responses in recent weeks the Minister indicated that the total number of promotions at NCO level since the announcement of the review in July was 129 and that the total pertaining to commissioned officer rank was 90. There could be disproportionality in this regard. Will the Minister comment on this? Does he share the concern I expressed previously that there is considerable unease and pessimism among members of the Defence Forces owing to the peremptory manner in which he opted to change the three brigade system to a two brigade system without engaging in the deliberations proposed as part of the White Paper process? I suspect he does not.

Deputy Alan Shatter: I do not accept that there is such a difficulty. We had a three brigade structure posited on a Permanent Defence Force strength of 11,500. When I entered office, the Defence Forces were heading towards a position where, based on the funding provided by the previous Government, there would have been a strength of fewer than 8,000. We consolidated the number at 9,500. I received a commitment from my Government colleagues that the Defence Forces would be funded to ensure this strength. It made no sense to retain a three brigade structure in circumstances where the actual and real strength would be 9,500. It is correct and appropriate that we have a two brigade structure. That was the recommendation made to me by the Chief of Staff, the Secretary General of my Department and those working under them. They addressed the reorganisational steps to be taken.

With regard to promotions, the military authorities have advised me that up to 10 November, there were the following promotions: one major general, four brigadiers general, 233 officers and 309 enlisted personnel. Obviously, with the reduction in the number of barracks and personnel and the move from a three brigade structure to a two brigade structure, it is clear that there would be reductions in the officer and NCO ranks. The reorganisation entails reducing the number of management and administrative posts in the Defence Forces. This will obviously mean reductions in promotional opportunities within the Defence Forces similar to those experienced across the public service as a whole. However, targeted promotions within the strength ceiling of 9,500 will continue to be made in the Permanent Defence Force. In addition, very

significant opportunities for training and career progression will continue to be available within the reorganised structure for the Permanent Defence Force. From my contacts with members of the Defence Forces, there is now a sense of optimism. The members know where they stand with regard to numbers. The Defence Forces will continue to commit themselves to assisting the civil power domestically and continue to perform extraordinarily capably in carrying out the various international duties in which they are engaged through the United Nations.

Deputy Seán Ó Fearghail: I understand there are complex procedures in place within the Defence Forces for promotions. Is the Minister satisfied that procedures were applied consistently in all promotions? Will he explain why those going for promotion, in the Air Corps, for example, did not have their overseas service considered in some instances? If he cannot explain it now, I will be happy to receive correspondence from him.

Deputy Alan Shatter: I cannot comment and I am sure the Deputy would not want me to comment on a specific instance he has raised. If he wants to set out the difficulties he says occurred, I will ensure he receives a reply.

There are very specific procedures to be complied with in promotions in the Defence Forces. Should the procedures not be complied with, or should a difficulty issue arise, a complaint can properly be made both within the Defence Forces and to the Ombudsman for the Defence Forces. Since I was appointed Minister, there have been occasions on which issues surrounding promotions have given rise to cause for complaint to the ombudsman. These issues have been addressed and new procedures put in place to ensure that where there have been procedural failings, they will not be repeated. *Question No. 5 lapsed.*

Acting Chairman (Deputy Robert Troy): The format for other questions is that there are six minutes per question. The Minister is allowed two minutes for his initial reply. Thereafter, there are to be one minute contributions and the total should be no more than six minutes. Since the first response is to involve a grouping of three questions, I understand the Minister is allowed six minutes in which to make his initial reply, adhering to Standing Orders.

Other Questions

EU Battlegroups

6. **Deputy Seán Ó Fearghail** asked the Minister for Defence if he will provide a progress report on Ireland's participation in the Austro-German Battlegroup; and if he will make a statement on the matter. [54759/12]

29. **Deputy Mick Wallace** asked the Minister for Defence the cost of training troops to participate in the Austro-German Battlegroup; if money was allocated to cover the potential deployment of these troops and the number of days this money covered; and if he will make a statement on the matter. [54757/12]

33. **Deputy Clare Daly** asked the Minister for Defence the cost of Ireland's participation in the German led EU battlegroup. [54756/12]

(Deputy Alan Shatter): I propose to take Questions Nos. 6, 29 and 33 together.

Ireland is participating in the Austro-German-led battle group which will be on standby until 31 December. In 2010 the then Government approved Ireland's participation in this battle group. The other members of the Austro-German battle group are Austria, Germany, the Czech Republic, Croatia and the Former Yugoslav Republic of Macedonia. A battle group is a standard technical military term and consists of about 1,500 personnel. The purpose of a battle group is to undertake operations commonly referred to as the Petersberg Tasks which are set out in the Amsterdam treaty. The tasks include rescue tasks, peacemaking, peacekeeping and humanitarian tasks. Ireland participates in order to enhance its military capability and interoperability with other member states' defence forces.

Our contribution is a reconnaissance company. Should the battle group be deployed, Ireland's contribution would amount to approximately 175 personnel. During the stand-by period, one officer has been deployed to the battle group headquarters in Ulm, Germany for training and planning activities. The costs of equipment and additional training for participation in the battle group are marginal. The capabilities and equipment in respect of Ireland's contributions to the battle groups already reside within the Defence Forces. Training of Irish troops for the Austro-German battle group took place in Ireland and no joint field exercises or manoeuvre training took place. There were no specific additional costs arising in association with the preparation and stand-by period.

Should the battle group be deployed, the current estimated additional maximum cost for 120 day deployment is €10.7 million, excluding allowances and ammunition, which are generally already provided for in the Defence Vote. There are no proposals under consideration at this time for the deployment of the Austro-German battle group. On the basis that it will cease to function on 31 December, it is not anticipated that there will be.

Deputy Seán Ó Feargháil: I am conscious that participation in the Nordic battle group and, consequently, the Austro-German battle group was approved by the previous Government. I am interested in knowing about the deliberations the Minister has had with the Chief of Staff and his partners in the Government on future participation. Has he, in consultation with interested parties, had the opportunity to evaluate the success, or otherwise, of participation in the two battle groups? Does he have proposals to bring to the House in the near future on Ireland's continued participation?

Deputy Alan Shatter: I am happy to tell the Deputy that preliminary discussions have been held on Ireland's possible participation in 2015 in the Nordic battle group, to which he referred. Ireland participated in the Nordic battle group in 2008 and 2011. Other members of the Nordic battle group were Sweden which was acting as the framework nation, Finland, Norway, Estonia and Croatia. Ireland is due to participate again in the Austro-German battle group in 2016. This is also under positive consideration.

3 o'clock

We view our participation as being beneficial to the Defence Forces with regard to training and interoperability issues but also as signifying in a European Union context that we are willing to come together with other member states to deal with peacekeeping, peace enforcement

and rescue missions. It is important we are seen to make a contribution in this area and that is the Government's perspective on this.

The Deputy might be interested to know that at European level a dialogue has commenced to examine the utility of the battle group concept. Rather than an entire battle group being deployed on a peacekeeping mission on some occasion under a United Nations mandate should some issue arise, Europe could beneficially participate by deploying a portion of a battle group with particular skills. That might be worth considering for the future, as opposed to battle groups being in place, which fortuitously to date have not been called upon, and they having a certain level of training but not being utilised in a manner that could be beneficial in peacekeeping or peace enforcement missions.

Deputy Seán Ó Feargháil: Will that be a priority issue for the Minister as he chairs the Council of Ministers for Defence in the next six month period? In that regard, are there any other gems of wisdom he might give us in terms of his priorities in his role during the next six months?

Deputy Alan Shatter: We have a number of priorities dealing with the European Council meetings that will take place. As the Deputy may already know, an informal Council meeting will take place in Dublin, based at Dublin Castle, on 12 and 13 February at which a variety of issues will be under discussion. One of the issues of importance as we go through our Presidency is preparation for the European Council meeting of Heads of State in December 2013 when they address issues of European security and defence. An issue of particular relevance and importance is the manner in which UN missions are currently deployed and mandated. The role of the European Union as a regional entity in providing what I would describe as a European Union based deployed mission under a UN mandate is something that is very important.

As the Deputy will know, 21 member states of the Union are members of NATO and the other members states are not members of it. Some of the deployments have had a NATO dimension as opposed to a European Union dimension. We specifically invited, as I thought it would be of importance and interest, someone at high level in the UN to address the informal meeting on the greater connectivity between the UN and the EU as an entity in peacekeeping and peace enforcement missions. That is an area with which we will be dealing at the informal Defence Council meeting. There is a broad range of other issues to which some level of priority needs to be given such as pooling and sharing between the different member states where we may have joint missions with member states under a UN mandate.

If the Deputy puts down a question, I would be happy to go through all the various issues we anticipate will come up. The very important issue is the operations in which we are engaged in conjunction with EU colleagues. For example, EUTM Somalia, which is headed up by a member of our Defence Forces, provides training for new members of the Somalian defence forces. That training is currently taking place in Uganda but it is envisaged the mission will go to Mogadishu shortly. That is one of a number of issues that will be discussed during the course of our Presidency.

White Paper on Defence

7. **Deputy Denis Naughten** asked the Minister for Defence when the White Paper on the Defence Forces will be published; and if he will make a statement on the matter. [54646/12]

(Deputy Alan Shatter): The White Paper published in 2000 has provided, as the Deputy is aware, the framework within which the defence organisation has responded to the significant changes in the defence and security environment. I am of the view that the preparation for the new White Paper on defence will benefit greatly from an informed and wide-ranging debate on Ireland's defence policy. To that end and having considered the preliminary work undertaken on the new White Paper, I decided to initiate the preparation of a Green Paper on defence. The purpose of the Green Paper will be to elicit and stimulate the policy debate and discussion.

I expect a draft Green Paper will be submitted to me for consideration shortly. I will subsequently bring a memorandum to Government, early in 2013, seeking formal approval to publish the Green Paper and to initiate the consultation process to inform the White Paper. The new White Paper on defence is scheduled for completion at the end of 2013.

Deputy Denis Naughten: I thank the Minister for his reply. Some 12 or 13 years will have elapsed from the publication of the last White Paper on Defence to the publication of the new White Paper and yet in the past 12 months significant changes have taken place in the Defence Forces. There has been a move from a three-group to a two-group brigade structure, the abolition of the command at Custume Barracks in Athlone and a restructuring of the Reserve Defence Forces. In tandem with those changes a significantly increased threat has been posed by dissident republicans on both sides of the Border and they have been engaged in far greater activity. In that context, does the Minister believe we need to reconsider the restructuring of the Defence Forces and the objectives and goals for our security forces?

Deputy Alan Shatter: I would not give respectability to the groups the Deputy mentioned by referring to them as dissident republicans: they are primarily criminal terrorists who have no respect of any description for the democratic will of people on both sides of this island to bring an end to violence, mayhem and destruction. They are individuals who, while waving a green flag, are deeply involved in criminality in the area of drugs, fuel laundering and extortion and are hell bent on causing death and mayhem if possible. In that context, I want to pay tribute to both the Garda Síochána and the Defence Forces for the work they do in providing a safe community on this side of the island and to the Garda Síochána and the PSNI for the full co-operation that exists between both bodies in seeking to prevent incidents and also in investigating events that occurred such as the most recent tragic death of a prison officer in Northern Ireland.

The reorganisation of the Defence Forces was designed to ensure that we have the practical necessary numbers in the Defence Forces to deal with issues that arise such as issues of subversion in so far as the Defence Forces are engaged in that area and also to facilitate their engagement in their international duties. The reorganisation was also designed to ensure that we use resources wisely. Both the Defence Forces and the Garda Síochána have the capability to continue to co-operate fully and work with each other to ensure that what is necessary is done to counteract the threat of the criminal terrorists who remain on this island.

Acting Chairman (Deputy Robert Troy): Deputy Eoghan Murphy has signalled he wishes to ask a question and following him I will call Deputy Naughten.

Deputy Eoghan Murphy: In the preparation of the White Paper will the Minister consult other governments to share analysis or to learn of their thinking in terms of the preparation of white papers? Currently, the French Government is drafting a new White Paper. I had the opportunity to visit French Ministry for Defence recently and some of the thinking and work they are putting into the process is very interesting and we could learn from that. Also, it is

important to know what our partners in Europe are thinking in terms of European co-operation in security and defence. Will that be an element in the White Paper when it is produced?

Deputy Alan Shatter: I thank the Deputy for his question. There will be widespread consultation following the publication of the Green Paper. I am very conscious that when the last White Paper was published it had very important content and it has stood the test of time, in fairness to those who published it, but it appeared a little like a rabbit out of a hat without the level of consultation that I believe should take place, which is why I decided to publish a Green Paper. It will pose a variety of questions and address a number of issues with a view to stimulating domestic debate and also place Ireland in the context in which we now find ourselves within the European Union where there has been substantial treaty changes. There is a very different environment with regard to European security and defence issues. We live in a different environment with regard to the level of international terrorism with which we are now confronted. Sometimes people forget that our White Paper was published prior to the 11 September atrocities, the London bombings and the treats posed by Muslim fundamentalists in various parts of Europe. I am looking forward to engaging with my European colleagues on these issues, as well as being informed by them on issues of relevance to the formulation of our own White Paper. Obviously, we must ultimately make our own decisions about these matters. I am looking forward to Members participating in this process, as well as arranging several opportunities for people to express their views on the Green Paper including a conference in which it will be debated and discussed.

Acting Chairman (Deputy Robert Troy): May I remind both Ministers and Deputies that there is one minute for both a supplementary question and reply in fairness to all Members? Deputy Naughten now has 30 seconds left for his supplementary.

Deputy Denis Naughten: I echo what the Minister said regarding the handle I gave the individuals in question earlier. They are criminal terrorists. In light of the fact we have a different security environment on this island, and in the European Union as a whole, along with the increased terrorist activity and the increased trafficking of women and children across the Border, is the Minister just closing the stable door after the horse has bolted? The restructuring of the Defence Forces is already taking place in advance of the Green and White Papers.

Acting Chairman (Deputy Robert Troy): Unfortunately, time has elapsed and we must move on to the next question.

European Council Meetings

8. **Deputy John McGuinness** asked the Minister for Defence if he will report on the recent meeting of the EU Foreign Affairs Council with Ministers of Defence; and if he will make a statement on the matter. [54769/12]

16. **Deputy Seamus Kirk** asked the Minister for Defence the agenda for the recent meeting of the EU Foreign Affairs Council with Ministers of Defence; and if he will make a statement on the matter. [54792/12]

(Deputy Alan Shatter): I propose to take Questions Nos. 8 and 16 together.

I attended both the formal Foreign Affairs Council in defence Minister format and the meet-

ing of the European Defence Agency steering board which preceded it on 19 November. The agenda for the steering board consisted of the 2013 budget and work programme, the work plan for 2013 to 2015 and a voluntary code of conduct on defence pooling and sharing. The work programme for 2013 was agreed by the steering board. However, as the budget for 2013 could not be agreed, it was referred for decision to the follow-on Foreign Affairs Council meeting. The European Defence Agency steering board adopted the code of conduct on pooling and sharing which comprises a series of concrete actions to mainstream pooling and sharing in national decision-making processes and to be implemented on a national and voluntary basis.

The steering board meeting was followed by the formal meeting of defence ministers. The first issue was the European Defence Agency budget for 2013. As unanimity could not be achieved, it was decided to accept a flat cash budget for 2013. This means that Ireland's contribution to the agency's budget of €30.5million for 2013 is approximately €284,000, the same as last year.

The next point to be discussed was the military operations conducted by the European Union under the Common Security and Defence Policy. There are three such operations at the moment: Operation Atalanta, a naval counter-piracy mission off the Horn of Africa; the EU Training Mission Somalia, an operation to train the Somali defence forces; and Operation Althea, the military mission in Bosnia and Herzegovina. The meeting warmly welcomed the successes in the Somali region. Piracy attacks are down to the lowest level in several years. To date, 3,000 members of the Somali defence forces have been trained and deployed to secure both the capital and other major towns in Somalia. This training mission is led by Colonel Michael Beary of our Defence Forces.

The meeting was then addressed by the Commissioner for Internal Market and Services, Michel Barnier, who outlined the urgent need to optimise our efforts in reinforcing the defence industrial base, which is a significant industry sector and provider of jobs in Europe. A communication from the Commission on defence, incorporating the work of the Commission defence task force, is due to issue in May 2013. There followed a joint lunch of foreign and defence ministers at which two items were discussed, the situation in Mali and the European Council on Defence in late 2013.

It was noted Mali is a multidimensional crisis and the preparations for an EU operation were well advanced. The planned mission is similar to the training mission being conducted in Somalia and will not be a military mission *per se*.

The final item discussed was preparations for the European Council debate on defence issues in late 2013. The importance of this planned debate was noted as was the occasion to engage EU Heads of Government on defence issues. All agreed that the opportunity should not be missed and that it was highly desirable to be practical as well as getting clear political orientations from the Council on critical choices facing Ministers in the context of defence generally and Common Security and Defence Policy.

I also had several bilateral meetings around the meeting including with the chief executive of the European Defence Agency, the High Representative of the Union for Foreign Affairs and Security Policy, Baroness Catherine Ashton, the Secretary General of NATO and the UK and Polish Ministers attending the Foreign Affairs Council, at which I briefed them on our informal meetings taking place in February in Dublin.

Acting Chairman (Deputy Robert Troy): As these two questions are being taken together, there will be a little more time for supplementary questions.

Deputy Seán Ó Feargháil: Does this mean we have double time?

Deputy Alan Shatter: It means double the time and double the excitement.

Deputy Seán Ó Feargháil: I thank the Minister for his response. He has said before that the participation of the Defence Forces in EU battle groups increases their interoperability with forces from other EU member states. Does this whole area of interoperability form part of the discussions the Minister has had with his EU counterparts and those one would expect to have in the course of the year ahead?

Members of the Minister's party, when in opposition, had interesting views on Ireland's role in the Common Security and Defence Policy. Does the Minister believe the best way to secure the safety of our people at home and abroad, as well as fulfilling our responsibilities to our EU neighbours and friends, would be for Ireland to play an active role in common defence and security measures? Should we be designing security and defence architecture that suits our particular needs? Has the Minister any gems of wisdom to cast our way on this matter?

Deputy Alan Shatter: I appreciate the Deputy's continuing interest in my having possible gems of wisdom. All members of the Fine Gael Party always have interesting things to say on a broad range of issues.

Interoperability is like pooling and sharing, a relevant issue in the context of member states dealing with common security or defence issues or, as I said earlier, dealing with co-operation in EU-UN missions. It is important when engaging with partners in such missions that we complement each other and that people can properly communicate. Pooling and sharing also means member states can save resources in cases where there is a need for common resources for a particular mission by removing the unnecessary duplication of expenditure.

Many of the issues that come up at these meetings are security issues. How do we in Europe best deal with issues of international terrorism and cybersecurity? What threats does cybercrime pose to essential utilities in member states or important businesses on which the economic base of the country may be dependent? Cybersecurity is a cross-cutting issue because it can fall within both defence and policing issues.

Being in the unusual position of having both the defence and the justice briefs, I can see the need at a European level for greater connectivity in this area. It is an issue I have discussed with my colleagues. At Justice Council meetings one has justice ministers talking about cybercrime and cybersecurity while another group of ministers on the defence side is talking about the very same issues. There is a need for connectivity in how we approach these issues.

There are many interesting and important issues in the defence area that we are going to prioritise during the Irish EU Presidency. It will provide a forum for the exchange of ideas along with the opportunity to discuss current EU-related defence issues and their impact internationally, all of which inform ongoing developments in the area of Common Security and Defence Policy. A positive and active agenda under the Common Security and Defence Policy is planned for our Presidency which will demonstrate Ireland's full support for the EU role in crisis management, international peace and security and our positive re-engagement with the European Union generally.

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Overseas Missions

9. **Deputy Michael McGrath** asked the Minister for Defence the new United Nations missions he expects the Defence Forces to undertake in 2013; and if he will make a statement on the matter. [54765/12]

15. **Deputy Bernard J. Durkan** asked the Minister for Defence the extent to which further deployment of Irish troops at various locations overseas is anticipated or has been requested; when he expects current deployments to end and or new assignments to commence; and if he will make a statement on the matter. [54796/12]

32. **Deputy Robert Troy** asked the Minister for Defence if the Defence Forces will participate in any new United Nations missions over the next year; and if he will make a statement on the matter. [54790/12]

176. **Deputy Bernard J. Durkan** asked the Minister for Defence the total number of members of the Defence Forces that have served overseas over the years; the extent to which such service is planned for the future; and if he will make a statement on the matter. [55034/12]

Deputy Alan Shatter: I propose to take Question Nos. 9, 15, 32 and 176 together. I am frightened to ask how much time that gives us as a consequence.

Acting Chairman (Deputy Robert Troy): The Minister's initial reply should be six minutes.

Deputy Alan Shatter: I will try and be briefer than that.

Through the United Nations stand-by arrangements system Ireland has offered to provide up to 850 military personnel for overseas service at any one time, which demonstrates our commitment to the cause of international peace. This continues to be the maximum sustainable commitment that Ireland can make to overseas peacekeeping operations. Ireland is currently contributing 438 Defence Forces personnel to 11 different missions throughout the world. Full details of all personnel currently serving overseas are listed in the tabular statement provided.

Ireland's main deployment is in the United Nations Interim Force in Lebanon, UNIFIL, with 361 personnel, with smaller contributions in Kosovo, Bosnia and Herzegovina, Afghanistan and the European Union training mission, EUTM, in Somalia. Ireland is also currently participating in the Austro-German-led battlegroup, which is on stand-by until 31 December 2012.

The question referred to the future deployment of the Defence Forces overseas. Ireland receives requests from time to time relating to participation in various missions and these are considered on a case-by-case basis. When considering any particular request, the existence of realistic objectives and a clear mandate which has the potential to contribute to a political solution, consideration of how the mission relates to the priorities of Irish foreign policy and the degree of risk involved are among the factors considered. Ireland received an invitation from the operational commander of Operation Atalanta of the European Union Naval Force Somalia, EU NAVFOR, to contribute an autonomous vessel protection detachment, AVPD, to the operation. Currently, EU NAVFOR has received offers from five member states to provide such a detachment. As a result, the requirement for additional AVPDs does not arise in the immediate future and no vacancies will exist within the mission for such detachments until August 2013.

Consideration may be given closer to the time with regard to whether Ireland will contribute after August 2013. We have also received an invitation from the UN requesting the deployment of a specialist training team on conventional munitions disposal, CMD, and mine and specialist search awareness to support the work of the United Nations mine action service in South Sudan. The request is currently under consideration. The Department of Defence constantly reviews the deployment of Defence Forces personnel overseas. At this time, it is not anticipated that there will be any major additional deployment of troops to further missions in 2013.

Members of the Permanent Defence Force Serving Overseas as at 1st December 2012

| | | |
|--------|---|--------|
| 1 | UN missions | |
| (i) | UNIFIL (United Nations Interim Force in Lebanon) HQUNIFIL 107th Infantry Battalion- UNIFIL Sector West HQ | 163378 |
| (ii) | UNTSO (United Nations Truce Supervision Organisation) – Israel, Syria and Lebanon | 11 |
| (iii) | MINURSO (United Nations Mission for the Referendum in Western Sahara) | 3 |
| (iv) | MONUSCO (United Nations Stabilisation Mission in the Democratic Republic of the Congo) | 3 |
| (v) | UNOCI (United Nations Mission in Ivory Coast) | 2 |
| | | |
| | TOTAL | 380 |
| | | |
| | UN-mandated missions | |
| (vi) | EUFOR (EU-led Operation in Bosnia and Herzegovina) | 7 |
| (vii) | EUTM Somalia (EU-led Training Mission in Uganda) | 10 |
| (viii) | KFOR (International Security Presence in Kosovo) – HQ | 12 |

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| | | |
|-------|---|-----|
| (ix) | ISAF (International Security Assistance Force in Afghanistan) | 7 |
| | | |
| | TOTAL NUMBER OF PERSONNEL SERVING WITH UN MISSIONS | 416 |
| | | |
| 2 | Organisation for Security and Co-operation in Europe (OSCE) | |
| (i) | OSCE Mission to Bosnia & Herzegovina | 2 |
| (ii) | OSCE Mission in Belgrade - Serbia | 1 |
| (iii) | Head of High Level Planning Group, Vienna | 1 |
| (iv) | Staff Officer, High Level Planning Group, Vienna | 1 |
| | | |
| | TOTAL NUMBER OF PERSONNEL SERVING WITH OSCE | 5 |
| | | |
| 3 | EU Military Staff | |
| | Brussels | 4 |
| 4 | Austro-German Battlegroup | |
| | Ulm, Germany | 1 |
| 5 | Military Representatives/Advisers/Staff | |
| (i) | Military Adviser, Permanent Mission to UN, New York | 1 |
| (ii) | Military Adviser, Irish Delegation to OSCE, Vienna | 1 |
| (iii) | Staff Appointments, Irish Delegation to OSCE, Vienna | 2 |
| (iv) | Military Representative to EU (Brussels) | 5 |

| | | |
|------|---|-----|
| (v) | Liaison Office of Ireland, NATO/PfP (Brussels) | 2 |
| (vi) | EU OHQ Operation Althea, Mons, Belgium | 1 |
| | | |
| | TOTAL NUMBER OF DEFENCE FORCES PERSONNEL SERVING OVERSEAS | 438 |

Deputy Seán Ó Feargháil: I thank the Minister for his response on this matter. We should never fail to avail of the opportunity at such times to acknowledge the value of the service that our Defence Forces have provided in a variety of countries overseas. Time and again they have distinguished themselves in the service they have given in the cause of peace. Some of them have sacrificed their lives. In general, when we reflect on our Defence Forces, we think first and foremost of the distinguished overseas service that has been given over many years. We should never lose the opportunity of highlighting the importance of that. For young people who are considering a career in the Defence Forces, one of the attractive aspects is the type of service that they are in a position to give in parts of the world where our Defence Forces are deployed from time to time.

I am mindful of the fact that over the years people in the Minister's party have had various comments to make about the triple lock system. What is the Minister's current thinking on the triple lock, with particular reference to our participation in the EU battlegroups? Let us speculate on a scenario whereby some fellow members of these battlegroups express an interest in participating in a particular mission that might not have the approval of the United Nations. What strategic approach would the Minister for Defence adopt to that issue? Does the Minister envisage bringing proposals before the House on the triple lock? This issue has concerned some Fine Gael Members in the past.

Deputy Alan Shatter: I commend the Deputy on researching some of the views expressed by members of the Fine Gael party. At least they have views on issues of importance and we debate and consider them.

The debate on the Green Paper will give us a useful opportunity to discuss our position in dealing with peacekeeping and peace enforcement; to discuss the benefits of the triple lock and whether there are any detrimental problems or difficulties that arise around it; to discuss the relevance of all of these issues to the new security environment in which we find ourselves; and to discuss the relevance of what we perceive to be appropriate defence policy in a world where conventional armies do not pose any major threats at present to this country, but where terrorism does pose a threat to other EU member states and where we continue to have our domestic home-grown terrorists who pose a threat in the State. There is a range of interesting issues to be discussed and openly debated.

The triple lock has played an important role in ensuring that when we deploy our Defence Forces abroad we do so for peacekeeping and peace enforcement missions that have been given a UN mandate. We have played an important role in missions because our history and background is such that we have no colonial past. In the eyes of many countries in troubled regions

of the world, although we were colonised, we do not have a past of colonising others. This gives our troops a particular perspective, whether they are located, as they were for some time, in Chad or in the Lebanon. Often the local communities in these areas have a different perspective towards Irish troops compared to others. We find that our troops can build up engagements and relationships on these missions that sometimes prove more problematic to others.

The UN mandate has an important role in all of this. The Green Paper will afford an opportunity for Members of all parties and none to consider and debate these issues. I do not believe we should take for granted that in the future we will do everything we have done in the past. We need to look at where the world is now, our place in the world, the role we play, what is relevant to Ireland in a defence context as a state and what role Ireland should play as a member state of the European Union. These are all interesting issues and I have no doubt we will have all sorts of interesting debates and exchanges on them during 2013.

Deputy Jonathan O'Brien: I have two brief questions for the Minister. There is a request in at the moment for a trip to South Sudan, which is currently being evaluated. Will the Minister provide some more information about the number of personnel who may be involved? This allows me to come back in on a question I have raised in the past - that is, the use of Lariam. We tabled a question which was disallowed today because of the suspension of a Member. Will the Minister give his position on that request?

I noted the Minister's comments on the triple lock. I have raised this issue in the past as spokesperson on this portfolio. I am somewhat concerned about the Minister's answer. Up to six months ago the Minister said that the triple lock was a valuable aspect of how we did our business and that he could not foresee any changes to it. I note he did not say that today. He is now saying that as part of the Green Paper we should consider our role within global affairs and whether there are unintended consequences of having the triple lock in place. This does not instill me with great confidence that there are no plans to get rid of that mechanism. Will the Minister clarify the position? If it is the case that the Minister's position is the same as it was six months ago and he cannot foresee any circumstances in which we would not have a triple lock mechanism in place, then it should probably be clarified here today. Anyone listening to the debate would have picked up the impression that it is possibly up for review as part of the Green Paper.

Deputy Alan Shatter: As the Deputy is well aware, section 2 of the Defence (Amendment) (No. 2) Act 1960, as amended by the Defence (Amendment) Act 2006, makes provision for the triple lock mechanism. That is the law and our position on this issue. It would be odd to produce a Green or White Paper that omitted all references to the triple lock mechanism. The Deputy would be more excited and upset if that were to happen. It is reasonable that we review all areas and positions taken and consider the benefits and downsides. I am not expressing a view about change. The last White Paper was produced in 2000 and no major debate preceded its introduction. We now have an opportunity, through a Green Paper, to debate and discuss issues. We need to review where the world is now as compared with where it was in 2000. It is good to review measures we believe are working satisfactorily to ensure they are. If there is something we can do to change or improve the way in which we approach or address issues, we should do so. We should consider whether stances taken in the past which made a lot of sense now make no sense. In a democracy, when one is considering the introduction of a policy paper that may be in place for a decade or more, as was the case in respect of the previous White Paper, it is important consideration is given to where we are. We are living in a different world. For example, there are some areas in which the triple lock mechanism is no longer relevant.

An important issue is how we deal with international terrorism. If a group of terrorists based in Ireland is targeting, say, Britain, or persons here are committing criminal acts, should we do nothing until there is a UN mandate? There are concepts that do not cover every issue that arises in the area of defence. However, none of this should cause the Deputy sleepless nights.

Deputy Jonathan O'Brien: It does not.

Deputy Alan Shatter: It is important that we review where we are, where we were in the past and what we believe will be the position in the future and the roles we can play of a constructive nature. Irish Defence Force's roles outside the domestic environment are essentially in the area of peacekeeping, peace enforcement and humanitarian assistance and will continue to be such.

The south Sudan region has been riven by war, horror, death, destruction and problems with landmines. We are reviewing the role Ireland might play in this regard. We have particular expertise which is recognised globally in the neutralisation of explosive devices. If we can make a contribution to making things safer, we will do so, but we will have to be careful about the nature of the mission involved. Decisions will be carefully made and in appropriate circumstances in the context of the legalities of any engagement that may take place.

Deputy Jonathan O'Brien: If the decision is to participate in that mission, I presume the Lariam issue which I have raised a number of times in the past will arise again. Is the Department considering discontinuing the use of Lariam in favour of another drug? As far as I am aware, there are four compensation cases - there may be more - before the Department relating to the use of Lariam. I would welcome hearing the Minister's view on that issue.

Deputy Alan Shatter: That is a completely different issue. I am aware of the Deputy's concern about this matter. As he will be aware, Lariam is the recommended drug of choice in dealing with malaria. Recommendations on the use of this drug include that a person be medically examined prior to it being administered; that there be no adverse impacts on an individual - the reason it is administered some time prior to a mission - and that the contraindications and circumstances in which Lariam should not be used are outlined. A departmental review in this regard is almost complete. The Deputy may not be aware that a particular medication which it was previously recommended should be only used for a short period may now be used for a longer period and that in some circumstances it may be an alternative to Lariam, despite that up until relatively recently it was not proposed as such. This issue is also being examined. I am sure the Deputy would not expect me to say anything about any existing or threatened court case.

Deputy Jonathan O'Brien: No.

Deputy Alan Shatter: We have, in the context of the Defence Forces, ensured procedures that should be in place are in place. I do not know, in the context of a mission to Sudan, what will be the recommended medications. That issue has not yet come for consideration.

Deputy Seán Ó Feargháil: There is growing concern among persons who have served overseas and taken Lariam. I took it many years ago with no ill effects, at least, of which I am aware. Have the Defence Forces provided counselling, guidance or information directly to serving or retired members of the Defence Forces who have concerns about this issue? If the Department was to be proactive in this matter, by way of maximising the amount of information available, concerns would be allayed.

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Deputy Alan Shatter: The maximum information is provided for individuals on the use of Lariam, the contraindications in terms of when it should not be used and the necessity, should a person have an adverse reaction, to immediately bring the matter to the attention of medical personnel within the Defence Forces.

Defence Forces Reserve

10. **Deputy Derek Keating** asked the Minister for Defence the current numbers of the Reserve Defence Forces based in Dublin; his plans to expand the Reserve Defence Forces; and if he will make a statement on the matter. [54642/12]

Deputy Alan Shatter: The current number of Defence Forces Reserve, DFR, personnel based in Dublin is 948. This number is divided into the various DFR units and sub-units currently in the Dublin area.

With regard to future plans for the Defence Forces Reserve, as the Deputy will be aware, I recently published a value for money review of the Defence Forces Reserve. The steering committee concluded that the current reserve organisation was not fit for purpose and required radical reform. The central recommendation of the VFM steering committee is that the Reserve be retained, with 4,000 personnel spread countrywide and based in barracks and 16 other locations. This requires the consolidation of existing Reserve units throughout the country into a smaller number of full strength units. The retention of all locations was not a viable or sustainable option.

I have accepted the steering committee's recommendations and directed that proposals for new organisational structures be prepared, taking account of the VFM report and the major reorganisation of the Permanent Defence Force, PDF. The Chief of Staff and Secretary General submitted an agreed report which set out detailed reorganisation proposals, including unit structures and the location of Reserve units. I have accepted these proposals.

A new single force concept will see PDF units having reserve components rather than a parallel Reserve, as is currently the case. Reserve units within barracks will be supported by their parent PDF unit and the 16 units outside PDF installations will be supported by dedicated full-time PDF personnel. This concept offers significant potential advantages in terms of training and development of the Reserve. The initiative of locating Reserve officers within the Defence Forces management structure will likewise underpin the future reserve. Work on implementing the recommendations of the VFM is under way.

In the light of my acceptance of the recommendations made in the VFM report, I have no plans for the expansion of the Defence Forces Reserve.

Deputy Derek Keating: I thank the Minister for his comprehensive reply and the information provided. Question No. 18 in my name deals with a similar issue. I am sure that in due course the Minister will provide me with the figures in relation to the involvement of the Reserve Defence Force at local level. I have raised this issue because I am acutely aware, as I know the Minister is, of the major role played by the Reserve Defence Force, in particular with Civil Defence, in the front-line services which it provides. I believe they are the best in the world at what they do. I ask the Minister to consider conducting a review of the Reserve Defence Force to determine how we can utilise them, as a voluntary body of men and women,

to provide leadership training, promote community awareness and team work, as well as the development of a social conscience for many young men and women who may not have considered joining up to now. This could be done effectively and in a very cost-effective manner. I became more aware of the potential of the Reserve Defence Force recently through meeting a constituent of mine who is a doctor of science in Trinity College, a non-commissioned officer in the reserve and a fitness instructor in her barracks. She outlined to me how she has gained invaluable experience as a member of the reserve and the voluntary work she has undertaken with them has really helped her to grow as a person. It is based on that experience that I ask the Minister to consider this option.

Deputy Alan Shatter: The Deputy has made a very interesting suggestion. I am conscious that the reserve trains but has not been deployed substantially to fulfil functions. I am concerned to ensure that the reserve force engages in work that is of benefit to the community and which its members feel is fulfilling, based on the training they have received. One of the difficulties at the moment, in practical terms, is that if an emergency arises, for example, the Civil Defence is called out. When members of the Civil Defence who are trained are called out, it does not result in any extra expenditure by the State. The reserve force is not called out, even though its members may be equally well trained because under the old system, being called out immediately incurred a cost to the State. If we can focus on providing the funding for training as opposed to for a gratuity and if the reserve, when called out, did so on a voluntary basis, there would be a greater opportunity for the reserve's engagement.

In the context of what the Deputy had to say about Dublin, he might be interested to know that under the reorganisation arrangements, units and personnel in the Reserve Defence Force are being moved across locations, similar to that which occurred in the course of the Permanent Defence Force reorganisation. I am advised by the military authorities that there are currently a total of 948 Reserve Defence Force personnel based in five locations in Dublin, namely Cathal Brugha Barracks, McKee Barracks, Baldonnel, Swords and St. Bricin's Hospital. Under the current reorganisation proposals, the Reserve Defence Force units in Baldonnel, Swords and St. Bricin's Hospital will be closed and these personnel will be reassigned. The strength of the reserve in the two retained locations in the Dublin area, namely Cathal Brugha Barracks and McKee Barracks, will be 518 personnel. Discussions are ongoing with Reserve Defence Force representative associations on the implementation of the reorganisation proposals, the implications for their members and how these can be addressed, including through possible transitional arrangements. I say that in the context of being aware that the numbers currently in Dublin exceed the numbers that will ultimately be in Dublin and I am anxious to ensure that those members of the reserve who are currently engaged can continue to be thus, if they so wish.

Written Answers follow Adjournment.

Message from Select Sub-Committee

Acting Chairman (Deputy Robert Troy): The Select Sub-Committee on Justice, Defence and Equality has completed its consideration of the Civil Defence Bill 2012 and has made no amendments thereto.

Topical Issue Debate

Report on Murder of Pat Finucane

Deputy Micheál Martin: Today's release of the de Silva report and the British Prime Minister's statement on the shocking level of State collusion in the brutal murder of Pat Finucane opens up a dark chapter in our country's history. The report, however, does not meet the fair, objective criteria of a full investigation into the murder. The Finucane family has completely rejected the report as a whitewash and has consistently argued that a public inquiry, where the veracity of documents and witnesses can be tested under legal cross examination in the eyes of the public, is the only way of getting to the truth about the depth and reach of security force collusion. Today's report simply does not meet those hopes.

I fundamentally disagree with Mr. Cameron's ongoing refusal to hold an independent review. Contrary to his statement today, I believe that it would reveal a fuller picture of what happened in those dark days and I call on the Government to reiterate its support for a full independent inquiry and to relay same to the British Government. Furthermore, it is vital that we in Dáil Éireann put aside time to discuss the de Silva report as part of our own commitment to the peace process. That process, as we have seen all too clearly in recent days, is more fragile and incomplete than we might like to think. We cannot allow Northern Ireland to be neglected in this House and I hope the past few days have scotched any complacency seeping into Government circles on the issue.

Today we saw the long-awaited release of a report into a victim of brutal State collusion. It is important to also take this moment to remember the pain and suffering endured by thousands of families across Northern Ireland who were victims of the Troubles and whose search for the truth, on many occasions, has met with little notice. Earlier this month I received a letter from the father of one of the so-called "disappeared". His life is utterly shattered by the unfathomable blow to his family. As we seek justice for the family of Pat Finucane, those thousands of stories of unresolved loss should not be forgotten by any Member of the House.

Deputy Gerry Adams: I wish to commend the family of Pat Finucane on their courage and diligence in demanding a public inquiry into his killing. I want to be very mindful of all those who have died or been injured as a result of the conflict, regardless of who the perpetrators were. The de Silva review into Pat Finucane's death in February 1989 concludes that there was no overarching state conspiracy but accepts there was collusion by British state agencies. It could not have done otherwise. The review is not acceptable to Pat's family who have described it as a sham and a whitewash. It is not acceptable to Sinn Féin. Three members of our party were killed during the period in question, as well as 11 family members of party activists. Today David Cameron sought to use the review as a pretext for denying the family a public inquiry.

The report reveals some of the extent to which there was collusion, but it does not diminish the need for a public inquiry. On the contrary, it makes such an inquiry more necessary than ever. Collusion was a matter of institutional and administrative practice by successive British Governments. It involved the establishment of Unionist paramilitary groups, the systematic

infiltration by British agencies of all Unionist death squads at the highest levels, the control and direction of these groups, the arming and training of their members and the provision of information on people to be killed. In Pat's case, all of those involved in the killing, from the person who ordered it to those who carried it out and provided the necessary information, worked for the British Government.

At Weston Park the British agreed with the Irish Government to invite Judge Peter Cory to determine the need for an inquiry. He concluded that an inquiry was warranted, but the British Government has refused to implement his recommendation. This is a direct repudiation of the agreement between the Government here and the Government in London. The Irish Government should have prevented this, or at least spoken out more clearly about it. The role of successive Governments in this issue has not been as helpful, strategic or consistent as it could have been. The Finucane family wants the truth and a public inquiry. The Irish Government should go beyond simply supporting the family's demand to launch a diplomatic offensive in the USA and Europe and at the United Nations to highlight British obstruction and seek international support for a public inquiry.

Tánaiste and Minister for Foreign Affairs and Trade (Deputy Eamon Gilmore): Some 23 years ago Pat Finucane was brutally murdered by loyalist paramilitaries in front of his wife, Geraldine, and three children, Michael, Catherine and John. Geraldine has since campaigned tirelessly to get to the truth about her husband's murder. Along the way she has had to endure the frustration of seeing evidence destroyed, justice obstructed and her husband's reputation impugned. Although a very private person, she has taken on a public role and fulfilled that role with dignity and integrity. With quiet determination she has focused not only on the two men who broke into her house that Sunday evening to murder her husband but also on those behind them who orchestrated the murder. Officials from the Irish Embassy assisted Geraldine and her family in London today as they heard Prime Minister Cameron acknowledge the extent of collusion by British security forces in her husband's murder and apologise to her and her family.

Pat Finucane was one of more than 3,500 people to die during the Troubles in Northern Ireland. Every man, woman and child who died left behind relatives and friends who mourn the loss of their loved ones to this day. However, the murder of Pat Finucane stands out from most other cases in one particular and important respect. It was one of a number of cases which gave rise to allegations of collusion by the security forces in each jurisdiction and which, therefore, had profound implications for public confidence and, consequently, the wider peace process. It was not the only such case. The murders of Chief Superintendent Harry Breen, Superintendent Bob Buchanan, Lord Justice and Lady Gibson, Robert Hamill, Rosemary Nelson and Billy Wright all gave rise to concerns about collusion. It was because of their wider implications for confidence that these cases were a particular concern for the British and Irish Governments at Weston Park in 2001. Arising from their discussions, the two Governments agreed to appoint a judge of international standing from outside either jurisdiction to undertake a thorough investigation of these cases and, in the event that a public inquiry was recommended, to implement that recommendation. Following a thorough investigation of the allegations, Judge Peter Cory recommended a public inquiry into five of the six cases. On foot of his recommendation, the Smithwick tribunal was established by resolutions of Dáil and Seanad Éireann in 2005 and is continuing its work.

We should acknowledge that the Prime Minister, Mr. David Cameron, has shown commendable determination to get to the truth of what happened in the past and, in doing so, hold the UK state to the highest account and judge its officers by the highest standards. His apology

to Mrs. Finucane continues the process of healing that he set in train so memorably with his statement to the UK Parliament on the publication in June 2010 of the Saville report on Bloody Sunday. The report published today is a lengthy one and bears close reading and serious study. The picture revealed by the Prime Minister is, as he has noted, truly shocking. I respect the frankness and honesty with which he confronted grievous failures by the British army, the RUC and ministries. This is not an easy task for the leader of a country which takes great pride in its security forces and civil service. He acknowledged the systematic leaking by security services to the UDA and paramilitary groups; the failure by the RUC to act on threat intelligence; the involvement by paid agents of the state in the murder of Pat Finucane; the systematic failure to investigate and arrest west Belfast UDA agents involved in the murder; the systematic attempts by the police and the army to disrupt and thwart investigations; and the deliberate misleading of Ministers by officials. It is a matter of public record that the Irish Government disagreed strongly with the decision by the British Government last year to conduct a review rather than an inquiry into the murder of Pat Finucane and the lack of consultation in advance of that decision. Our disagreement was born of a belief that public confidence was best served by an inquiry in which the process of getting to the truth was open to scrutiny in order that the findings were put beyond doubt. We are mindful of Judge Cory's concern that, where doubts persist, myths and misconceptions may proliferate. This view was underpinned by an all-party motion passed by this House in 2006 which recalled the Weston Park agreement, took note of Judge Cory's findings on collusion, commended the Finucane family for its courageous campaign and called for the immediate establishment of a fully independent, public judicial inquiry into the murder of Pat Finucane, as recommended by Judge Cory. Such an inquiry would enjoy the full co-operation of the family and the wider community throughout Ireland and abroad. We can build on the progress made today. The work undertaken by Desmond de Silva, QC., can facilitate us by showing that an inquiry need not be lengthy, open-ended or inordinately expensive.

Confidence is fundamental to the Northern Ireland peace process. As we have seen in recent days, significant challenges have yet to be tackled and we can only tackle these challenges successfully if we do so together. Close partnership between the British and Irish Governments throughout the process has been critical to sustaining confidence and supporting progress. That visible and collaborative partnership is needed today perhaps more than at any time in the recent past. There are occasions when we disagree, but we do so respectfully. This is one such occasion. While we will study the report carefully, we will continue to set out why we believe the Agreements matter and public confidence is best served by a public inquiry. The Irish Government will continue to seek a public inquiry into the murder of Pat Finance, as committed to in the Agreements, and we will continue to work closely with the British Government in supporting the Executive and the Assembly as it seeks to address the difficult and polarising debate about flags.

Deputy Micheál Martin: I thank the Tánaiste for his reply. The report is shocking and reveals why the British Government did not want a public inquiry. The scale and depth of collusion between the RUC, the British army and the UDA and other loyalist forces are such that a public inquiry would probably reveal much more about the wider systemic nature of the collusion. In 1991 Mr. Ken Barrett, the person eventually convicted of the murder, was recruited as an agent by the RUC special branch instead of being prosecuted, which is what the RUC criminal investigative division wanted.

The Tánaiste has stated the Irish Government sought a full and open inquiry as part of the Weston Park agreement. The British Government decided instead to commission the de Silva

review without consulting its Irish counterpart.

4 o'clock

In essence, there has been a breach of an international agreement between our two countries. This matter remains a point of disagreement between the two governments, but more than that, it compounds the hurt the Finucane family has experienced as a result of the absence of an inquiry. The failure to have an inquiry will also create a lack of confidence and reduce the confidence that has developed in recent times following reports on Bloody Sunday and so on. It also undermines confidence in the relationship between the two governments, a relationship that is critical to the overall peace process.

How does the Tánaiste propose to pursue this breach of an international agreement? What is the nature of the engagement between him and the British Government with regard to pursuing a full public inquiry into this particular murder? What steps does he propose to take to bring this about and to get the British Government to fulfil its part of the agreement?

Deputy Gerry Adams: No more than anybody else here, I have not read the full report. However, I was briefed on it by Paul Maskey, one of our MPs, who went to London and had prepublication notice of the report. Let us not mess about with this. I commend to the Taoiseach and to every Teachta Dála here the book written by Frank Kitson which deals with counter-insurgency operations in some detail. To paraphrase him, he says the law should be a weapon to get rid of unwanted members of the public. He set up counter gangs. They set up the UDA and modernised the UVF. They imported weapons and worked with the old apartheid regime in South Africa and brought in a huge amount of weapons.

With respect, I find it remarkable to stand here and listen to the Tánaiste say that David Cameron has shown remarkable determination to get to the truth. He has done no such thing. He tore up an agreement - an agreement Sinn Féin did not concede to at the time, because it fell far short of what the Finucane family wanted. He tore up an agreement made with the Irish Government in Weston Park. The British Government will only face up to these issues if it has no other option. When Tony Blair was faced with the huge campaign on the issue of Bloody Sunday, he had no other option but an inquiry, particularly when he read the report put together in co-operation with people in Derry and the Irish Government of the day.

We cannot behave as a junior partner on this. The relationship between this part of the island and successive Governments with Britain has been that of junior partner to the British Government. I ask the Tánaiste, as I have consistently asked the Taoiseach, to launch a diplomatic initiative in the USA, in Europe, at the UN on the Finucane family case. It is not enough to say we support the family. We must take the case and develop a campaign, using the goodwill we have internationally and using our status as having the most successful peace process in modern times. I commend that approach to the Tánaiste.

Deputy Eamon Gilmore: More than 3,500 people died during the Troubles and every man, woman and child who died left behind relatives and friends who mourn the loss of their loved ones to this day. I have met many of those relatives, as have other Members, and we all know the pain they endure and the accommodation they have been asked to make for peace. We should not lose sight of the fact the majority of victims of the Troubles were murdered by republican and loyalist paramilitary groups. There is no hierarchy of loss or grief and no acknowledgement or apology by those responsible for the loss can undo the wrong that was done. On

a day when the murder of Pat Finucane has been recalled so vividly, for Geraldine, Katherine, Michael and John, we should be mindful of the many thousands of relatives of victims across Ireland who grieve the loss of a loved one.

As I have said, certain cases raise specific concerns about collusion and, therefore, about confidence in the administration of justice. The murder of Pat Finucane is one of those cases. The Government's view and position, favouring a public inquiry, is underpinned in this House by an all-party motion, which was agreed in 2006, which recalled the agreement of Weston Park, took note of Judge Cory's findings of collusion, commended the Finucane family for their courageous campaign and called for the immediate establishment of a full, independent, public, judicial inquiry into the murder of Pat Finucane. That is the position the Government is advancing.

I will discuss the de Silva report with Secretary of State Villiers and with Deputy Prime Minister Clegg. The Taoiseach has already spoken with Prime Minister Cameron on the issue. It is important this House maintains what has been a clear all-party position on this, which is to seek a public inquiry. The Government will press the case for that public inquiry at every opportunity.

Septic Tank Registration Scheme

Deputy Marcella Corcoran Kennedy: I was prompted to raise this issue as someone who lives in a rural area, a small parish in the foothills of the Slieve Bloom mountains in Offaly, who has a septic tank to deal with waste water. Therefore, I am only too well aware of the importance of ensuring that properly functioning waste water systems are in place. I am also cognisant that the deadline for registration of septic tanks is 1 February 2013. It is because of this I wish to bring this matter to the Minister's attention.

A number of people have contacted me with regard to their concerns that if they are required to carry out remedial works or replace their septic tanks on foot of an inspection, they will not be able to afford that. I am particularly concerned about people on low incomes and the elderly. Clarity in this area has been very difficult to establish, due to the misinformation being circulated by many Opposition Deputies and active campaigning against the registration of septic tanks in many rural areas. This has left people on low incomes and the elderly, whose septic tanks may have been installed decades ago, worried about the costs involved in replacing them if required. Incredible sums have been bandied about, up to €20,000, which I believe is incorrect.

I have always believed this issue is a matter of public health and that it is not be of rural Ireland being under attack again, as many people would have us believe. Most people I know who own a septic tank have it desludged regularly in the interest of its proper functioning, and, more important, in the interest of protecting the water table to ensure there is clean drinking water for everyone. If we have clean drinking water, we have clean water for all other uses, such as for agriculture.

I am aware that three years ago, the European Court of Justice ruled that Ireland had failed to adopt the necessary legislation to comply with Articles 4 and 8 of the EU waste directive relating to domestic waste water being disposed of in the countryside through septic tanks or other waste water systems. This ruling highlighted deficiencies in our legislation regarding the disposal of waste water. I know the Minister has been determined to protect our water, as well

as to achieving compliance with the waste water directive. I hope the many years of neglect in dealing with the matter by previous Administrations will not expose our State to EU fines as a result. In fact, there has been quite an amount of hypocrisy involved in this issue, with some people who were in government at the time leading the anti-registration charge over the past year.

I believe a scheme of financial support should be put in place for the upgrading of septic tanks, whether for repair or replacement. As a member of the Joint Oireachtas Committee on Environment, Culture and the Gaeltacht, I know that compliance with the directive has been an issue of concern. This was highlighted to the Minister when this matter was discussed by the committee. The Minister has stated clearly he will keep an open mind on the issue of possible financial support, despite our poor financial situation. I sincerely hope he is making every effort to put such a scheme in place to assist people who need it if and when their tanks are inspected and they need repair or replacement.

Minister for the Environment, Community and Local Government (Deputy Phil Hogan): I thank Deputy Corcoran Kennedy for the opportunity to address this issue. The House will be aware that the Water Services (Amendment) Act 2012 provided for the establishment of a new system for the registration and inspection of septic tanks and other domestic waste water treatment systems. The 2012 Act augments the duty of care placed on the owners of on-site wastewater treatment systems, under section 70 of the Water Services Act 2007, to ensure that their systems do not endanger public health or the environment. I made regulations in June setting out the procedures for householders to register details of their treatment systems with their water services authorities. The Local Government Management Agency has developed an on-line registration facility on a shared service basis for the 34 county and city councils. The agency is tasked with managing a central bureau to process written applications accompanied by registration fees. The registration facilities have been available since 26 June and as of today, more than 290,000 owners have registered their systems. By comparison, last year's census recorded that almost 500,000 houses were served by septic tanks or other on-site treatment systems. Householders who have not yet registered have until 1 February 2013 to register their systems. I encourage each of them to register on time to ensure they are in compliance with the law. Registration can be done on-line, by post or at local authority offices.

I remind the House that this legislation was introduced to ensure compliance with a European Court of Justice ruling against Ireland. It is important that the legislation is fully implemented, not just to comply with the court ruling but also to protect our valuable water resources, as the Deputy said. Regrettably, my predecessors in government exposed the State to potential EU fines. I am aware that some householders are concerned that they may incur significant expense in repairing or upgrading their systems if they fail an inspection. As I have said on a number of occasions, I am prepared to consider all possible options to provide financial support for householders whose wastewater treatment systems are deemed, following inspection under the new legislation, to require substantial remediation or upgrading. The matter is under review in my Department and I expect to be in a position to make a decision shortly. I emphasise that the provision of financial support must have regard to the overall budgetary situation and the financial position of the individual households concerned.

Deputy Marcella Corcoran Kennedy: I welcome the Minister's comments. I hope the decision on the review by the Department will be made as soon as possible. The Minister has said 290,000 systems have been registered. While I understand that up to 66% of systems have been registered in some water service authority areas, it seems that the figures in others are low.

If we could have clarity on the possibility of a scheme being introduced to help people on low incomes - I am thinking particularly of elderly people on low incomes - it would encourage more people to register their systems by the February 2013 deadline.

Deputy Phil Hogan: I accept what the Deputy is saying. There is concern, some of which has stemmed from the irresponsible dissemination of misinformation in certain parts of rural constituencies. I suggest some of the Deputies involved who were serving in government when this case came before the courts and did nothing about it for four years thereafter are responsible for the European Court of Justice ruling which has exposed the State to potential fines on a daily basis, as well as a lump sum fine. A decision in that regard is likely to be made soon. I am conscious that the misinformation I have mentioned is causing many elderly people and low-income families to worry that they will potentially have to make a major financial outlay to carry out remediation works. That will not be the case. If difficulties arise on foot of the inspections that will be carried out, it will be possible to deal with most of them by means of desludging, in the same way that applied when Cavan County Council introduced such a scheme. I am prepared to examine a scheme to assist people in exceptional circumstances, for example, if it costs €3,000 or €4,000 to resolve serious structural issues associated with remediation.

Waste Management

Deputy Kevin Humphreys: I thank the Ceann Comhairle for selecting this matter for debate. As the Minister knows, there have been radical changes in the waste industry in the past decade. When Dublin City Council had to privatise its waste collection service last January, it was widely seen as a disaster. I remind the Minister who spoke about those who had spread misinformation in rural areas in response to the previous matter that there are irresponsible Deputies in urban areas also. The actions of the Socialist Workers Party in campaigning for the non-payment of waste charges meant that it was no longer economically viable for Dublin City Council to stay in the waste management business. That resulted in the privatisation of the service, which means we now have a poorer service.

The company that received the contract in Dublin, Greyhound, has engaged in many practices that need to be regulated. It started to distribute letters to customers last week informing them that it would have to charge €1.50 for each bag of recyclable material. That will bring an end to the practice of picking up many bags for free. The Minister will be aware that many houses in the city do not have green bins because they do not have enough space for them. Instead, they put their recyclable waste in green bags. Greyhound which makes massive profits in Ireland has refused to publish its accounts. Given that it charges €9 for a roll of six bags, this latest measure will push people back into putting recyclable waste in black bags. Black bags are not normally full in city areas. Greyhound brought the industry into further disrepute when it imposed dramatic price increases last summer. It piggy-backed on the landfill levy and tried to blame the Minister for the increases, even though they did not equate in any manner to the landfill levy. I tried to highlight this attempt to increase profits at the time.

In May this year some 4,000 tonnes of waste were found illegally stored in County Kildare. A further 2,000 tonnes of illegally stored waste were discovered in June. Last month some 1,000 bales, containing almost 1,000 tonnes of illegally stored waste, were found on a farm in north Dublin. I appreciate that the EPA is investigating these cases. For this to happen once can be considered an oversight. For it to happen twice can be considered a mistake. Now that

illegally stored waste has been found three times in a single year, it must be seen as a pattern. It is clear that we need a waste regulator, just as we have regulators in areas such as the energy and communications sectors. The waste industry in the State has almost been entirely privatised. We have multiple operators in many areas across Ireland and need a regulator who could control how the industry operates. I suggest the national regulator should set overall guidelines, to be enforced by the local authorities. We will have the chance to do this when we reform local government radically. Councillors are well placed to monitor, report on and deal with these problems.

The free-for-all that we are seeing needs to be controlled. We need legislation and regulation and citizens need to have confidence in the waste industry. We need to ensure the waste stream is properly regulated and recycling is encouraged. Many of the waste companies will not collect bins unless a hefty sum of money is left on account as a deposit. If a customer wishes to change from one operator to another, he or she will lose the money that is on deposit. This is happening right across Ireland and another example of the citizen losing out in this unregulated and poorly legislated for area.

Deputy Phil Hogan: I thank the Deputy for raising this matter. I am aware of his personal interest in waste policy and he has raised a number of important and serious issues, with which I will ask my officials to deal immediately.

Local authorities are responsible for the enforcement of environmental standards for the collection of waste. They consider applications for waste collection permits from service providers. They enforce the conditions of the permits granted on the basis of national policy and regional waste management plans. I accept the Deputy's point that we should examine the conditions attaching to these permits much more rigorously and ensure they are enforced. The treatment and management of waste material is subject to a registration and permit system by local authorities, or licensing by the Environmental Protection Agency, as appropriate. The primary purpose of the licensing, permit and registration system is to facilitate appropriate controls on waste facilities and activities in a way that ensures good and consistent waste management practice and the implementation of high standards of environmental protection. I regret to say this is not happening. The waste industry is further subject to additional regulation outside the remit of my Department. Under animal by-products legislation, for example, composting and anaerobic digestion plants which process food waste are subject to approval by the Department of Agriculture, Food and the Marine.

As the Deputy knows, my Department's role is to provide a comprehensive legislative and waste policy framework through which the enforcement authorities operate. I published the Government's new waste policy, A Resource Opportunity - Waste Management Policy in Ireland, in July. It sets out the actions Ireland will take to make the further progress needed to become a recycling society, with a clear focus on resource efficiency and the virtual elimination of landfilling municipal waste, thereby minimising our impact on the environment. Maximising the resources recovered from waste is a central principle of the policy, which contains measures to ensure that prevention, reuse, recycling and recovery are favoured to the disposal of waste, in accordance with the waste hierarchy as set out in the waste framework directive.

The performance of the household waste collection market, in particular, will be crucial to achieving our overall policy objectives and meeting our targets on landfill diversion. Under the new policy, household waste collection will be organised under an improved regulatory regime to address a number of problematic issues. Waste collection companies will have to adhere to

improved standards of service, incentivise households to segregate waste and be much more transparent about their charging structures, and they will be held to account for failures under the new permitting regime. This is the key point - enforcement. At the same time, an onus will be placed on households to show how they manage their waste in an environmentally acceptable manner.

The Competition Authority is also being requested by the Government to maintain oversight of household waste collection markets and will report as part of a mid-term review of the implementation of the policy to be carried out in 2016. It is my intention that the implementation of the policy will deliver both enhanced environmental performance, a quality service for consumers and better enforcement in regard to the people collecting the waste.

Deputy Kevin Humphreys: I thank the Minister and I know he is very committed to reforming the whole waste industry. We need to move very quickly because, unfortunately, there are cowboys operating in the market and this is giving a very bad reputation to the waste industry. There are many responsible waste management companies which are customer friendly and abide by good practice. They charge only on what people actually put out instead of making people prepay, they encourage recycling and they work for a better industry. However, while I believe by far the majority want to develop a sustainable industry, this is being greatly undermined by what is happening, particularly in our capital city. People are being incentivised not to recycle because they are being overcharged for recycling.

I ask the Minister to move as quickly as possible to put regulations and legislation in place. I look forward to the issue coming before the committee. At present in our cities, the local authorities can put in place by-laws stating when the citizen can place a bin on the street but they cannot make a by-law to force companies to collect within those hours. What is happening currently in the capital is that while residents have to put their bins out by 7 a.m. and they are to be collected by 7 p.m., some of these cowboys do not collect them that day and instead collect them the following day, so there are bins on the streets for two days.

This is unacceptable in a capital city. We need to empower local authorities so they can take action, and we have to do it from this House. We have to give them the powers to bring in the by-laws and the legislation. I believe passionately that we need to move quickly on this issue. If we are reforming local government, we have to ensure the councillors on the ground have the power to regulate and to put in the specifications regarding how these cowboys operate. If we delay too long, the cowboys will have undermined the very good companies which operate to high standards and best practice, and they will go out of business.

I urge the Minister to take action as speedily as possible. I will certainly facilitate him as far as possible through the environment committee and I will give any other assistance I can. Most Members see this happening on a daily basis, from Cork to Dublin to Galway. It is a national issue. These cowboys have to be put out of business. We need strong, firm legislation supported by a regulator. I urge the Minister to move as quickly as he can.

Deputy Phil Hogan: I agree wholeheartedly with the sentiments expressed by Deputy Humphreys about the requirement for a level playing field and a standardised service across the country. The most important person in this is the customer. The people have gone to enormous lengths to do the right thing by our waste policy in terms of reuse, recycling and recovery. It is not good enough if waste operators are flouting the enforcement procedures that are in place at present under our permit and licensing system.

Under the new waste policy, a new and strengthened regulatory regime for household waste collection will be introduced in 2013. New mandatory service standards, including the introduction of customer charters, will ensure consumers experience improved customer service from their operator. The key point, as I said, is to ensure that local authorities have the legislative wherewithal, including recourse to by-laws, to ensure this is properly enforced and implemented.

We have a lot of law in this country but we do not always have the best enforcement, and the case highlighted by the Deputy is a good example. The work of developing the new regulatory structures to give effect to the measures has commenced and my Department is engaging with the stakeholders at present in regard to the detailed design of the new system. I welcome Deputy Humphreys' co-operation in this matter on the environment committee. I hope to be in a position to bring new proposals to the committee and to the House as quickly as possible in 2013.

Rural Social Scheme

Deputy Éamon Ó Cuív: I am very disappointed the relevant Minister has not bothered to come to the House to take the issue.

Deputy Phil Hogan: I am first sub.

Deputy Éamon Ó Cuív: The arrangement when Topical Issues were introduced was that Ministers were to come to the House. The Minister for Social Protection is obviously around the House today because she has a Bill in the House. However, as a rural Deputy, I am sure the Minister present will understand my concern in regard to the issue I raise.

The rural social scheme was introduced in 2004. The idea was that, rather than paying farm assist to farmers, we would give an opportunity to farmers to supplement their farming income by working on a scheme. To be eligible for the rural social scheme, one had to be qualified by being in receipt of a means tested qualifying payment, in most cases the farm assist payment. This was a mechanism by which we could bring the income of low income farmers up to an adequate level so they would be able to sustain a reasonable livelihood.

The idea of the scheme was to be flexible and to operate around the requirements of a farmer to farm while, on the other hand, using the talents of farmers, which are many, to make a contribution to community services. There was, therefore, a huge double win in the scheme, namely, the win for the farm family in terms of income and also in terms of income certainty in that they got a fixed amount of income which was €20 more than the basic farm assist rate and was the exact same as that paid under the community employment schemes.

Farmers who went on the scheme have time and again told me there are two major benefits for them. The first was the obvious one in regard to income and the second was in regard to social contact. One of the big changes in farming is that the meitheal has gone - the idea of people gathering to save the hay or doing all the jobs that would have been done 20, 30, 40 or 50 years ago by a group of people but which are now often done by one person working on their own. Therefore, many farmers said to me that the socialisation of working was of equal importance to the income gained.

I know from evidence produced to me when I was in the Department of Social Protection that the negative effects of under-employment on people's health are clearly measurable. From the community's point of view, farmers were not unemployed. We were not talking about unemployed people but under-employed people who, because of mechanisation, did not need to put 40 hours a week into their farms. These people brought a huge wealth of can-do and experience to the job. Any community that had a rural social scheme in operation will testify to the huge amount of work that has been done. We set up the scheme to function in a streamlined and cost efficient way. It is administered by the Leader partnership companies which come within the Minister's remit. Unlike the community employment scheme, therefore, the number of companies operating under the rural social scheme corresponds exactly with the number of Leader partnership companies which I understand is fewer than 40. This ensured the administration was slim-line, as was the insurance.

The benefits of the scheme are clear, but I am concerned by persistent reports in various newspapers that the Department of Social Protection, instead of expanding the scheme to cover every farmer in receipt of a farm assist payment, is instead considering its cessation. It makes no sense that the Department would choose, rather than paying people to make a contribution to the community by providing enhanced services, to pay them for doing nothing. Will the Minister give a clear statement that there is no such intention within the Department, that the scheme will remain as a fundamental part of the infrastructure provided and, furthermore, that it will be expanded to include every person in receipt of a farm assist payment.

Deputy Phil Hogan: The Deputy clearly does not realise we are in a bailout programme if he imagines that we can give money willy-nilly to everybody in the country under every possible scheme. The rural social scheme provides income support for farmers and fishermen who were in receipt of certain social protection payments. In return, those participating in the scheme are engaged in supporting the provision of a broad range of services of benefit to rural communities. The scheme is delivered and managed at a local level through 35 local development companies and by Údarás na Gaeltachta in Gaeltacht areas. The funding provision enables 2,600 participants to work for 19.5 hours per week, supported and monitored by 130 supervisor positions.

I am pleased to inform the Deputy that it is not anticipated that any change in the scheme's operation will be made in 2013. Once again, his concerns are unwarranted. In fact, the Department of Social Protection has provisionally provided €45 million to meet the costs arising next year. As with all areas of expenditure, the Department will seek to deliver the scheme for better value and proposals to this end will be made to the local development companies and Údarás na Gaeltachta in the coming weeks. Participants in the scheme are contracted annually to work their hours in a manner that meets their farming or fishing requirements. Continued participation is limited to those who maintain an entitlement to the underlying social protection payments and meet other criteria in respect of farming or fishing. While it is not intended that each participant will remain on the scheme indefinitely, there is no time limit for participation once the underlying eligibility for social protection payments remains. Eligibility for the scheme is limited to those in receipt of farm or fish assist or a range of other specified social protection payments. All participants must be actively engaged in farming or fishing and spousal swaps are permitted in the case of an eligible person not wishing to participate. Given the nature of the underlying qualifying criteria, participants are required to confirm that they continue to be eligible.

The scheme has been an important catalyst, as the Deputy observed, in the development and

underpinning of a range of services in rural areas. In particular, services to older people which are widely available in urban areas could not otherwise be delivered in rural communities. Significant improvements to the rural environment are also being made through the maintenance of the built heritage, improvements to and maintenance of community amenities and support for a range of community activities which build on existing social and community infrastructure. Nearly 3 million hours of work are delivered annually by participants. While the benefits to communities are key outcomes of the scheme, the benefits to participants are worth noting. Although the financial benefits can be relatively small in individual cases, they are nevertheless important. Equally important are the related benefits of participation for individuals who may, due to changes in social, farming practices and rural demography, be socially isolated.

Deputy Éamon Ó Cuív: I thank the Minister for giving a good summary of the scheme I set up. I compliment him on his accuracy.

Deputy Phil Hogan: Unlike the Deputy, I am always willing to acknowledge the worth of initiatives introduced by other Governments.

Deputy Éamon Ó Cuív: Has a review of the scheme been carried out either by the Department of Social Protection or on its direction or by the Department of Public Expenditure and Reform or on its direction? If such a review has been initiated, is it completed? If completed, did it recommend the continuation or cessation of the scheme? Will it be possible to obtain a copy of any report prepared and the recommendations made? Can the Minister give an undertaking that the scheme will continue in operation after 2013?

Deputy Phil Hogan: The Deputy is moving the goalposts.

Deputy Éamon Ó Cuív: If it were to be discontinued in 2013, that decision would have been announced in the budget and there would be no budgetary provision. I accept that such a provision has been made. In the aftermath of the budget, however, newspapers began reporting that the Department of Public Expenditure and Reform had recommended closure of the scheme following a review. That Department has not taken the opportunity to deny the rumours. I ask the Minister to address these very specific questions.

Deputy Phil Hogan: The Deputy is on his usual hobby horse of scaremongering people into believing a spending programme is to be abolished. I am pleased to confirm, on behalf of the Department of Social Protection, that this scheme will not be abolished.

Deputy Éamon Ó Cuív: It will not be abolished in 2013.

Deputy Phil Hogan: Every scheme is under review in every budget. The Deputy was in government long enough to know how these matters work. Moreover, he knows why we are where we are in terms of the country's financial position. The Minister for Social Protection deserves great credit for ensuring, notwithstanding the difficult financial position for her Department, the same level of participation will be available to eligible applicants under the scheme in 2013. I hope she will be in a position to retain the provision in 2014, pending an examination of the financial position at the time of next year's budgetary process. Nobody can give a greater commitment than this at this time, no more than the Deputy, as Minister, was in a position to do so in respect of any scheme. He should refrain from seeking to reinvent the rules. This is a good news story. The Deputy should be glad that the scheme he introduced for good reason will be maintained in 2013. I am sure he will welcome the Minister's achievement in this regard.

12 December 2012

Deputy Éamon Ó Cuív: The Minister did not indicate whether a review was being or had been conducted.

An Ceann Comhairle: That completes the Topical Issue debate for today.

Social Welfare Bill 2012: Second Stage (Resumed)

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

An Ceann Comhairle: I call Deputy Catherine Byrne who is sharing time with Deputies Seán Kyne and Martin Heydon.

Deputy Catherine Byrne: I welcome the opportunity to speak to the Bill. I commend the Cabinet for its achievement in facing up to the very difficult decisions that had to be made in the budgetary process for 2013. I accept that some of the changes announced are unpopular. However, it is important to remember that these changes are aimed at raising €500 million in additional revenue that will help to keep the country afloat. The bottom line is that we cannot continue to spend more money than we collect in taxes. Since taking office the Minister for Social Protection, Deputy Joan Burton, has worked very hard to protect those most in need. Having inherited the mess left behind by the Fianna Fáil-Green Party Government, she has already made a series of changes to reform the social welfare system and ensure greater fairness in its provisions.

I listened to Deputy Micheál Martin on radio this morning as he spoke about a “mean” budget which had failed to look after the most vulnerable. Let me remind him that when he was in office, the cream of the land were entertained in the corridors of government as if they were the high kings of Ireland. That is how the Government of which he was a member chose to spend hard-earned taxpayers’ money. It is time for him to apologise to the people for the reckless spending and over-inflation of social welfare payments overseen by that Government. He and his colleagues offered no accountability or rationale for the sizeable increases in benefits they introduced, with no plan for how they were to be paid into the future. They must take some responsibility for the state in which they left the country.

As for Sinn Féin and others, if they had their way, every garda, nurse and teacher would be earning the minimum wage. It is deeply hypocritical of Sinn Féin to claim it represents the poor and downtrodden and that its members take only the minimum wage, giving the rest to the cause, as they call it, while some of their colleagues drive top cars around the area and live in mansions. The ordinary decent person on the street knows their past and clearly does not want to be part of that future.

My grandmother was an invalid for 17 years, cared for by my mother and extended family. My mother reared eight children, worked hard all her life and even found time in the evening to work outside the home to support the family. She passed away at the age of 87, surrounded by her sons, daughters, grandchildren and great-grandchildren. For the little help we received from the hospice during her last days, we were all very grateful. She never asked for anything in her life and never expected anything, least of all that the State would keep her. Many people

I know do not have the luxury of being able to depend on an extended family and it is those people we need to support in their communities. Voluntary organisations have played a most important role in reaching out to those people who live at home and need a helping hand, especially elderly people and those with a disability. I pay tribute to all these voluntary organisations.

I agree with the speakers who remarked that bankers who behaved recklessly should go to jail. As I see it, however, many former Ministers of the previous Government also belong in jail for what they did to the country. It is never easy to make hard decisions and nobody wants to ask people to put their hands in their pockets and pay more than they should have to. However, we must remind ourselves of the bigger picture and what we are trying to achieve for the future of my children, my grandchild and future generations. I hope my colleagues in Fine Gael and the Labour Party, as well as those in Opposition, will look at the bigger picture rather than complain about it.

The Minister, Deputy Burton, has the difficult task of supporting 1.4 million Irish people who are in receipt of a social welfare payment while also ensuring there is enough money in the pot to pay them year in and year out. The Department of Social Protection needs to spend more than €20 billion in 2013, while saving €390 million in the same year. This compares to an initial prediction that a saving of €540 million would have to be made. The main argument of the Opposition during the debates has been about the reductions in the respite care grant and child benefit. Given the difficult choices confronting the Minister, however, she has taken the best decisions and is maintaining core social welfare payments for 2013. These include jobseeker's benefit and allowance, carer's allowance and the State pension. There has been no reduction to the fuel allowance or the free travel schemes, speculation about which caused much hysteria in the media in recent weeks. The Department will spend €775 million on carers in 2013, some €5 million more than it did this year.

Although there have been reductions in some areas, there are also some good news stories which we should not forget. Next year, the Department of Social Protection will allocate €14 million to the Department of Children and Youth Affairs to provide more than 6,000 after-school child care places for children in primary school. These will be targeted at low-income families. An additional €2 million will be allocated to the school meal programme, which will aim to provide regular nourishing food to children from lower-income backgrounds. A further €2.5 million fund will be allocated to the Department of Children and Youth Affairs for its area-based child poverty initiative, which is really worthwhile. There will be 2,500 new JobBridge places, which will increase overall numbers to 8,500. In recent weeks, I have met many people who went through the JobBridge scheme, all of whom ended up with permanent jobs - I spoke to two of them only this afternoon. There will be an additional 2,000 community employment scheme places next year. On behalf of the community where I live I welcome this, because if we want to get people back to work properly we must introduce them slowly. The community employment schemes have added great value to people's lives.

The Minister is committed to clamping down on fraud and to that end additional fraud and control measures will be introduced, as well as legislation to enable greater recovery of social welfare overpayments.

An additional €10 million will be allocated to the Department of the Environment, Community and Local Government to facilitate the delivery of social housing units, a measure that I welcome. In my constituency alone there are 7,500 people on the waiting list, so this will

prove to be a good initiative. It is expected that more than 5,000 units will be provided in 2013, including 350 units for people with special housing needs and 150 units specifically for people leaving institutional care. An additional 400 permanent homes will be delivered through capital expenditure under the social housing initiative, which I welcome. I live in an area where many flat complexes have gone through a regeneration programme. It is worthwhile to put money into such a scheme to ensure that people have proper accommodation.

The Department of Education and Skills will allocate €500,000 to tackle bullying in schools. The funding will be spent in line with the action plan on bullying, which will be established shortly. I welcome this measure because in too many schools around the country young people have been bullied. Unfortunately, we have seen the consequences of that in recent months and weeks in cases in which young people have taken their own lives.

In line with the ongoing reform of the political system and the drive to cut costs across the public sector, the Government has cut the level of expenses paid to politicians and the State funding of political parties. All expenses must now be vouched. I fully support these changes.

The Government has had to make some tough but necessary decisions in this budget to ensure that we stay on course for exiting the bailout programme and continue on the road towards economic recovery. We must consider how far we have come already in rescuing our economy, pulling it back from the brink. We have worked hard to fulfil the terms of the EU-IMF bailout, without which this country would have ground to a halt. There is light at the end of the tunnel. Future budgets will not be so difficult, and families and businesses can make plans for the future with confidence.

Deputy Seán Kyne: I welcome the opportunity to speak on this important Bill. I believe in and understand the necessity for a social welfare system and have often highlighted the fact that the vast majority of citizens will rely on this system of support at some point in their lives. It is much more than a safety net that helps citizens through hard times.

The social protection system does not exist in isolation; the State must be able to raise the necessary resources to fund it. Much of the debate and commentary on social welfare matters is devoid of facts and figures. Social protection accounts for 37% of all State expenditure. In other words, almost two of every five euro this Government spends is on social welfare support schemes or programmes. In 2013 social welfare will account for €20.3 billion - by far the largest proportion of State spending. Given the sheer size of the social welfare budget, it is unthinkable that it would be not be examined for efficiency and effectiveness at a time when the gap between our State's income and spending is so large. We are, in effect, borrowing €42 million every day just to meet current day-to-day expenditure. In spite of this, budget 2013 strives to protect the most vulnerable in our society and does so by maintaining all weekly social welfare payments. There have been no changes or reductions in core social welfare payment rates. This is vital, not only because the budget comes at a time when the State's financial position is very constrained, but also because it recognises that social welfare is a lifeline that helps citizens who have fallen on hard times. It also recognises that social welfare spending is a hugely significant economic stimulus, which crucially supports local businesses and jobs.

It is important that the State pension has been maintained at its present level because this provides certainty to our senior citizens. In addition, the retention of the free travel pass ensures that they can continue to be active in their communities. While recognising the financial constraints on Government spending, the changes to the household benefits package also recog-

nise that the State is no longer the provider of electricity and utility services and has a duty to taxpayers to obtain the best value possible for public money. Further work will be required in this regard in order to assist citizens to shop around for the best energy deals in the marketplace. It is apt to note that there has been no change to either the rate or duration of the weekly fuel allowance.

Social welfare must be more than just financial assistance. There must also be non-monetary supports which are more important in the long term. These include labour activation measures, whereby the Department of Social Protection, in partnership with the Department of Education and Skills, assists citizens in reducing and then ending their dependence on social welfare.

I welcome the new initiatives introduced by the Minister, including the €14 million which will be provided for the Department of Children and Youth Affairs for the provision of 6,000 after-school places and the additional €2 million for school meals programmes which will cater for those children in disadvantaged areas and ensure they receive regular school meals of good quality. I also welcome the 2,500 additional places allocated under the Tús scheme, the 2,500 new places being allocated under JobBridge and the 2,000 additional places being made available under community employment schemes. I particularly welcome the initiative to provide 3,000 places under a new social employment scheme that will operate within the local authority system. Local authorities have been obliged to deal with job losses owing to embargoes, the non-replacement of staff, etc., and this initiative offers them a great opportunity to provide people with valuable work experience.

I am concerned by all cuts contained in the Bill. When money is taken from people's pockets, difficulties can arise. Cuts to child benefit, respite grants and farm assist payments are difficult. While the cuts to child benefit will hit all areas equally, the cuts to farm assist payments are particularly and obviously anti-rural. I appreciate that the headline rate is being maintained and that farm families with the lowest incomes will be least affected by these changes. I also welcome that the farm assist payment will remain flexible, that changes in income will be taken into account and that farmers can ask community welfare officers to review their claims where their circumstances change. There is no change to the disregards in respect of income under the REPS and the AEOS, which is welcome. Child benefit payments have been the subject of debate for many years. There is no doubt that a simple across the board cut is the easiest to administer. There are significant costs associated with means testing, but the introduction of such testing should be considered in the future.

Overall, I acknowledge the difficult decisions the Minister was obliged to make. I hope a return to economic growth will reduce the requirement for such a large social welfare budget. If we get people back into employment, we will ensure their reliance on social welfare payments will be reduced.

Deputy Martin Heydon: I am delighted to have the opportunity to contribute to the debate on the Social Welfare Bill. I intend to focus only on a number of the measures it contains because, given that it is so wide-ranging in nature, one cannot deal with all of them.

It is welcome that core social welfare rates are being protected. There are those in the Opposition who will demean and belittle that achievement. However, it is worth noting that basic social welfare rates were hit in budgets introduced by the previous Fianna Fáil Government. I refer in this regard to reductions in carer's allowance, the blind pension and the widow's pension. In one of the most difficult budgets in the State's history the Government has managed

to avoid reducing the core rates. There is merit in this. Sinn Féin has not been slow to use the respite care grant as a political football. In Northern Ireland where it is in government the weekly rate of carer's allowance is £58.45, which is the equivalent of €72. In the Republic carers are paid three times that amount, namely, €204. Perhaps Sinn Féin is of the view that carers in Northern Ireland do not work as hard as their counterparts in the South. There is a huge disparity in this regard and it is worth highlighting.

In the context of the cut to the respite care grant, the one item of information which has not made the headlines is that in 2013 we will spend €5 million more on carers than in 2012. The overall amount relating to carers will increase from €770 million to €775 million, a fact which has become lost in the debate. That said, the cut to the respite care grant does not sit easily with me. I worked very closely with the Carers Association in the past, particularly in getting the carers strategy published. I acknowledge the huge sacrifices carers make for their loved ones and the knock-on benefits this has for the State. For this reason, I request that the method relating to how this cut is being imposed be reviewed. Considering that payment of the grant is not due until June, it would be possible to consider alternative and more targeted ways of finding the saving of €26 million required. We must also consider the possibility of putting in place an appeals mechanism for those most in need. The respite grant is not means tested and we must, therefore, ensure cuts are imposed on those who can cope with them. I ask that the debate on this matter not finish with tomorrow's vote. Last year changes to community employment schemes were announced in the budget, but a review of the matter led to more targeted changes being introduced. The process used in this regard was a great success. This is something which should be borne in mind.

I welcome the Minister's move to create 10,000 new places on employment programmes in 2013. She has visited most of the community employment schemes in south Kildare and those elsewhere throughout the country. She understands and has acknowledged the impact these schemes have in local communities. The increase in the number of places on the community employment, JobBridge and Tús schemes is welcome. I also welcome the new social employment scheme relating to local authorities. What is being done in this regard will have a real impact.

On the redundancy rebate, I am very cognisant of the significant shortfall in the social insurance fund. Some wealthy companies used the relevant scheme to subsidise moving their operations out of Ireland. I reiterate the point I made on previous occasions in the House, namely, that there is a need to differentiate between small businesses and very large companies such as TalkTalk which moved out of Waterford at the drop of a hat. I am concerned about the impact the removal of the redundancy rebate will have on small firms which have a small turnover of €700,000 or €800,000. I accept that there is an inability to pay mechanism, but what will be the position of an employer who has four staff and needs to let two of them go in order to keep the other two on? We should consider introducing some form of exemption in next year's budget. This could be similar to the current audit exemption for small companies which is based on employee or turnover levels. Such an exemption would provide some protection for small businesses, while not encouraging large firms to pull out of Ireland.

I acknowledge the fact that the headline rates for farm assist payments remain unchanged. Some €108 million was spent on this scheme in 2012. I have seen at first hand the value of this assistance to small farm families and rural communities. I request that the cuts announced to the farm assist scheme be carefully monitored. There is an estimated saving of €5 million in any given year in respect of these cuts. I hope the position will be monitored in order to ensure

even more money will not be taken out of the scheme. Such a development would be detrimental. I accept the Minister's point on the flexibility of local welfare officers. Such flexibility is crucial, particularly in years such as this when the weather is very bad.

I acknowledge the fact that the Minister has found an additional €2 million for school meals. The allocation in this regard will increase from €35 million to €37 million. I have witnessed the impact of the school meals programme in my constituency. The provision of an additional 19,000 breakfasts or 6,000 hot dinners will be of benefit to 189,000 children in over 1,000 schools throughout the country. This is a real example of a targeted measure being introduced where it is needed most.

An Ceann Comhairle: I call Deputy Billy Kelleher who is sharing time with Deputies Éamon Ó Cuív and John Browne.

Deputy Billy Kelleher: I intend to repeat some of what I said last evening during the debate on the motion of no confidence in the Government tabled by Sinn Féin. It is incredible that, in the light of what has been said since the budget was introduced, Ministers and Government Deputies do not appear to understand why there is so much palpable anger among the people. The reason for this anger is that neither the budget nor the Social Welfare Bill bears any relation to what those now in government said in the period between the introduction by the previous Administration of its final budget in December 2010 and the general election in February 2011. There is no point in Members trying to put a spin on matters and stating that in some way the budget protects the vulnerable. Any critical analysis of the budget and the Social Welfare Bill will clearly show the opposite is the case.

The Government passed a regressive budget last year and this fact has been acknowledged by many independent organisations in the interim. In other words, last year's budget saw to it that those who had paid least gained the most and *vice versa*. Unfortunately, the budget introduced last week magnifies the position in this regard. We can argue about the make-up of the Government and whether Fine Gael is dictating matters from a policy perspective or whether the Labour Party is surrendering its policy positions.

5 o'clock

The four horsemen of austerity discussed the budget around the Cabinet table - or the half-Cabinet table - week in, week out. The Social Welfare Bill is a result of those discussions among the Minister for Finance, the Minister for Public Expenditure and Reform, the Tánaiste and the Taoiseach. They presented a figure to the Minister for Social Protection, Deputy Burton. What never ceases to amaze me is that the Minister, Deputy Burton, has been acting as the Florence Nightingale of the Social Welfare Bill, as if she is not responsible for the cuts to respite care grants, to child benefit, to the back-to-school clothing and footwear allowance, to farm assist, to jobseeker's benefit, to the redundancy payments scheme, to the supplementary welfare allowance, to the back-to-education allowance, to the respite care grant, and to household benefit, telephone benefit and other packages for existing recipients. The Minister is as culpable as the four horsemen of austerity.

The Bill is a direct attack on the vulnerable and the poorest in society. The spin from the Government will not inspire hope because people are living from day to day. Government spokespersons, Deputies and Ministers say their hands are tied by the agreement with the troika. However, they take credit for any change in the deal. I accept the fact that the troika is

in town, but the troika did not ask the Government to include in the Social Welfare Bill a cut in the respite care grant or in the back-to-school allowance. There is no way the troika demanded that the Government should tax the poor and let the rich off. The troika is only interested in the bottom line. It is clear that Fine Gael has dictated the policy; the horsemen handed it to Deputy Burton and she capitulated. She has included in the Bill proposals that will penalise the most vulnerable and those who are helping the most vulnerable. At the same time, some Deputies opposite are crying crocodile tears and saying it is a very difficult budget. Of course it is a difficult budget. It is difficult because of the outlandish promises made by the two parties opposite who form this great national Government. They promised they would not cut social welfare rates nor increase taxes. Fine Gael has got its way. There is no increase in taxes for high earners but the poor will pay. Any posturing from Deputies opposite that this is a caring approach to the vulnerable and that it is a progressive budget does not add up. This Government has betrayed its mandate.

It is evident that a chasm is appearing between Deputies on this side and those on the other side. The betrayal is on that side of the House. The Government has been dishonest and disingenuous with regard to its mandate. A perusal of the programme for Government or other Government literature will show that the Government has not adhered to those commitments.

The Social Welfare Bill is inherently unfair and it attacks the most vulnerable. The Minister for Communications, Energy and Natural Resources, Deputy Rabbitte, made some glib comments - which is not unusual for Deputy Rabbitte - saying that the cut in the respite care grant was small. I can tell the Minister that €6.50 a week to a family who are already struggling is quite a substantial amount. We all know this is the case because we hear it from people in our constituency clinics or around our constituencies.

The Bill is a complete betrayal of anything the Labour Party has ever stood for or claimed to stand for. It does not protect the vulnerable or those who need the support of the State. The cut in the respite care grant is the outstanding issue. However, I could spend the night listing the other issues as outlined on page 15 of the Budget Statement. The list contains all the cuts outlined by the Minister for Social Protection, Deputy Burton, but the four horsemen of austerity are blamed for them. This Bill attacks those who need the support of the State.

Deputy Éamon Ó Cuív: Tá sé deacair agam a thuiscint cén bunús a bhaineann leis an gcur chuige atá ag an Aire. Anuraidh, d'ionsaigh sí mná agus muintir na tuaithe. I mbliana, is teaghlaigh atá sí ag ionsaí, agus arís muintir na tuaithe. Ar ndóigh, is iad na teaghlaigh agus gasúir todhchaí na tíre ach is cosúil gur cuma leis an Aire faoi sin.

Is é an dearcadh atá ag an Rialtas, seachas athrú a dhéanamh de réir chumas íocaíochta nó é a roinnt beagán ar gach uile dhuine, ná díriú ar sainghrúpaí faoi leith a cheapann siad atá leochaileach agus nach mbeidh in ann troid ar ais. Níl cothramas ann agus níl ceart ann. Ba cheart go mbeadh náire ar Pháirtí an Lucht Oibre faoin méid atá déanta.

Caithfidh mé a rá nach bhfuil iontas ar bith orm nach bhfuil an t-Aire anseo tráthnóna, mar caithfidh go bhfuil sé deacair éisteacht le cur síos mion ar an mísc atá déanta aici i mbun a cuid cúramaí.

I will deal with the cuts in social welfare in the context of wider Government policy. Rather than taking a little from many or being progressive by taking more from those who can afford to pay, the Government has a policy of targeting vulnerable groups in small numbers. It attempts

to pick them off in the hope that these groups do not have the capacity, the time or the organisation to fight back. The Government has no regard for whether it is possible to carry the burden or whether the proposed measure is progressive or regressive.

According to commentators, from the downturn in the economy until the change of government, budgets were broadly progressive in that those who could pay the most took the biggest hit. Since this Government came to power, there has been a complete reversal of engines. In last year's budget, the attack was on women, children and rural dwellers; this year it is families with children and, yet again, another mean cut for farmers. The cumulative effect on families as a result of the changes in PRSI, motor tax, child benefit and property tax is very large and is disproportionate. It will push many families with children over the edge financially. Families and children are our future; they should have been protected in the budget instead of being specifically targeted.

I could speak further about the budget but, unfortunately, we are constrained by time because of the refusal of the Government to allow time to hear a proper and detailed analysis of the choices facing it. As my party's spokesperson on agriculture I will direct my attention to the changes made over two years to the farm assist scheme, which provides a safety net for low-income farmers. Until last year, 70% of the income of a low-income farmer was assessed as means. In other words, the total farm assist payment was calculated and 70% of one's farm income was deducted therefrom. There was a special allowance of €127 per annum for each of one's first two children and €190 per annum for each of the third and subsequent children. Over two years, the Minister has eliminated all of these allowances. Now, if one earns money on one's farm, one's farm assist payment is reduced on a euro-for-euro basis. Consequently, if a single person earns €200 from farming, his farm assist payment is reduced by €200. All the time and effort devoted to farming the land will literally yield one no money. This is going back to the old days and it will kill all incentives to work small farms.

This step has been taken by a Government that could not bring itself to increase the universal social charge by 3% on incomes over €100,000. Accounting for all the various taxes, including the universal social charge and PRSI, such an increase would mean that the part of one's income over €100,000 would be taxed at a rate of 57%. The Minister, Deputy Burton, has no difficulty imposing an effective tax rate or deduction of 100% on the very first euro of income earned by small farmers.

The Government's strategy is clear: protect the rich and impoverish the poor. For example, a farmer with two children who has a farm income of €200 per week will have lost €65 per week over the past two years. This is on top of all the other cuts, the property tax, etc. A single farmer in similar circumstances will have lost €60 per week. A farmer with a farm income of €400 per week and five children stands to lose €133 per week before taking into account the changes regarding child benefit, car tax, property tax and so on. The Government is literally taking the crust of bread out of the mouths of poor people. In a Department that spends €188,000 per minute, the total saving this year in this regard will be €4 million. This would not keep it going for an hour. There was no need to do this. It has nothing to do with the troika or cutbacks; it is policy. It is interesting to note that 80% of the farmers who receive the most through the farm assist scheme are west of the Shannon, or west of a line from Cork to Derry. We know the interest of the Labour Party in that part of the world.

Deputy John Browne: I wish to highlight some of the measures introduced by the Government that will affect ordinary people, families and people with disabilities throughout the

country. The Government has managed to target all the vulnerable, despite the many promises of Fine Gael and the Labour Party before the last general election. There were red-line points and PR articles in all the newspapers, written in the main by the Labour Party, which stated it would not allow Fine Gael to bully it into introducing cuts in any shape or form. Obviously, this is what has happened in this budget. Child benefit has been cut by €10 to €130, thereby hitting families across the country. There is a cruel cut of 20% to the respite care grant. The term of payment of the core weekly social welfare payment represented by the jobseeker's allowance will be cut from 12 months to nine. There are also cuts to the back-to-school clothing and footwear allowance and the back-to-education allowance, and there is a PRSI increase. The redundancy rebate has been abolished and maternity benefit has been taxed. There are cuts to farm assist payments, as outlined by Deputy Ó Cuív. All of the cuts are affecting ordinary families throughout the country.

The cut to the respite care grant is a really mean cut by the Government. The grant is for people who look after those with disabilities, sick people and those who are unable to care for themselves. Over recent days, we have received hundreds of e-mails and letters from carers who are very concerned about the reduction. Recipients have not been using the respite care grant to go on holidays or buy new fancy clothes. Some of the letters we received show that the grant has been used by parents who bring children to Crumlin, Beaumont or Temple Street hospital. They use it to put diesel in the car, pay for lunches and meet other subsistence costs. As we all know, often when children with disabilities go to Crumlin or Temple Street hospital, their parents must stay there for two or three nights, or perhaps longer, during the period of hospitalisation. The respite care grant was used to subsidise the incomes of families who suffer very severely.

As I have said in the House so often, I have a daughter in a wheelchair and am very much aware of the suffering of families with disabled members. They are struggling to make ends meet and to ensure the disabled person has a decent standard of care. The cutting of the respite care grant will only add to the difficulties and it will cause major problems for families. If the Labour Party and Fine Gael do nothing else between now and the passing of the Bill, I ask them to ensure that the €1,700 is restored. I am involved with the spina bifida and wheelchair associations and many others and thus realise that families depend very much on the respite care grant. It is important that it be restored.

The Labour Party said child benefit was a red-line issue and that it would not be cut. I could quote many statements from the Minister for Social Protection, Deputy Burton, the Tánaiste, Deputy Eamon Gilmore, and various Fine Gael spokespersons to the effect that child benefit would not be cut if they were in power. The children's referendum was passed very recently but it was a case of style over substance because the decisions taken by the Government in this budget will certainly do nothing for children or improve their quality of life. So much emphasis was put on the referendum, yet we now see all the cuts that are affecting children.

I was at a meeting in Askamore, County Wexford, last night, which was attended by 120 or 130 farmers, many of whom are in receipt of the farm assist payment. They are very concerned about the reduction. It is an attack by the Government on the less well off in society. When I was growing up, we believed Robin Hood was the man who took from the rich to look after the poor, but the Government has taken from the poor to protect the rich. The Labour Party has lost out badly to Fine Gael in this budget.

An Ceann Comhairle: The next speaker is Deputy Durkan, who is sharing time with Depu-

ties Twomey and Keating.

Deputy Bernard J. Durkan: I am pleased to have this opportunity to speak on the Bill. There was a time when one would have had ample time in this House to speak on every Bill, but unfortunately times have changed. Every person I meet inside and outside this House is crushed at the thought of cuts having to be imposed on people at a very difficult time. They invariably ask why this is happening, but there is an answer to that, which the people who have just left the Chamber know better than anybody. Those people walked away from this country a little more than 18 months ago, having left it broke. I recall that when addressing a group of people in my constituency at the time I was asked what was likely to happen in the next few years and I pointed out that the outgoing Government walked away from its responsibilities and left a series of exploding financial devices that would blow up in the face of the Government and the people of this country during the course of the next five years. That response is as valid today as it was then, as I was right about that.

When I see the crocodile tears being shed by the Fianna Fáil Members opposite I almost cry, because it proves just one thing - they do not live in the real world. Having done almost irreparable damage to this country for 15 years and sunk it below the gunnels to such an extent that we thought we would never survive the damage, those Members have the neck to shed crocodile tears, blame the Government and say there were alternatives and that we should tax somebody else. We are hearing the same old story we have heard for the past 15 years. They are living in a world of their own. They live in a myth, an Alice in wonderland world. Knowing the situation full well and having said everything they said about it, they ran away and told us we could sort it out and that it was our problem. They are now using this situation to exploit it for their own political gain and nothing else.

I marvel at the fact that the unfortunate Minister has managed to do the job she did in the circumstances, having been told to cut €500 million by the troika on foot of an agreement entered into, written up and signed by the Members who have just complained and walked out of the House. They put their stamp on it, but now they are telling the people who are hurting that they did not sign it, that there was no need to do that and that there were alternatives. Where are those alternatives? They also say the troika did not specify the cuts that were to be made, but it did. Every Department was to receive a series of cuts year on year for five years or more until the financial situation was brought under control. The only problem is that the people who were responsible for that are away from here, including those Members who have run out of the House because they do not want to hear anything that is being said to them.

Out of all the hypocrisy I have seen in this House, what really takes me to the fair - having regard to what happened during the past 15 years, knowing what this Government had to take over a little more than 18 months ago and having heard what I have had to listen to for the past two days - is that I just cannot believe it. The same people who ruined the country expect to repeat the performance at the earliest opportunity. If the public do not believe that is their ambition, they will soon find out, because those people, having done it to them once, will find it much easier to do so a second time and in such a way that they will be forever indebted to the kinds of banking institution from which we had to borrow when they left office.

It is appalling for any Government to find it has to cut expenditure and increase taxes at the same time across a series of Departments to meet the budgetary requirements to which the outgoing Government signed up, from which it walked away and about which its members are now complaining. Amazingly, they are talking about the most vulnerable people in our society

- children and people with special needs on the front line - and avoiding the issue they created as well as the fact that when they walked out the door they clobbered the poor in this country left, right and centre. Not only that, but they left the economy in tatters and in such a state that they thought nobody would survive the damage.

I compliment the Government and particularly the Minister for Social Protection for doing the job that was done in the most extraordinarily difficult circumstances that have faced any Minister for social welfare since the foundation of the State. I have listened to rubbish from the Members opposite and seen them shed crocodile tears about the problem, knowing well who caused it. They know how it happened because they lived through it. It is a miracle that the Government has managed to maintain some payments at the level they were at in 2006 during the height of the Celtic tiger boom. I do not know how it happened; it is part of the miracle. It is not possible in the time available to us to detail all the actions or inaction of the previous Administration, whose members now have the neck to condemn the Government for doing the job they left for it. They left it with no option other than to do it in a particular way.

Deputy Liam Twomey: I have great time for some Fianna Fáil Members but they warrant a good psychological evaluation because of the way they can come into the House and speak as if they personally had nothing to do with the ruination of our economy in recent years. It is extraordinary, but what is more extraordinary is the way we have managed to present a budget that does not cut social welfare rates or increase income tax. Our economy is fragile and our recovery is slow, but for the third year in government we have managed not to increase income tax or decrease social welfare rates. That is extraordinary. I do not believe we can manage to achieve that for the lifetime of the Government unless we see growth in the economy and achieve all the savings expected under the different agreements, because it is something that would be very difficult to do.

I will ask the Minister to waste no time in examining the report of the advisory group on tax and social welfare and considering how to deal with the issue of child benefit. We pay out more than €2 billion a year on child benefit. If we could divert even 10% of that money towards the most vulnerable children in our society it would be a remarkable achievement, because protecting vulnerable children has been a priority of this Government. We have moved forward in the way we care for children in our society, not just in passing the children's referendum but also in the fact that we have a dedicated Minister for Children and that all Departments examine the effects of their policies on children. That is a major step forward in the way the Government works, even in these extraordinary times of budget cutbacks.

Fine Gael and Labour Party members of the Government will protect children, patients, students and all vulnerable citizens. It will not be left to the flip-floppers in Fianna Fáil. They flip-flop on their own policies that they believed in a mere two years ago. It is extraordinary that Fianna Fáil believes it will inspire confidence in the electorate in a few years time, with its outright lies, flip-flopping on its core policies and playing the angry man routine, which, regrettably, I also see being played by some of our Sinn Féin colleagues. In future elections, in some respects, we will not have to worry about the promises that are made. Fianna Fáil will have to stand on its record of ruining this country, and comparisons will be made between what we have done in the Republic of Ireland and what Sinn Féin has managed to achieve in government in Northern Ireland. The electorate will have a much more balanced view in terms of how they will cast their votes in years to come because of our actions rather than what we say.

On the issue of the respite grant, it is important that we are realistic about what is actually

happening. Some 52,000 carers are in receipt of carer's allowance and other social welfare supports. They do a fantastic job. It is a very demanding role and can be stressful, but to say that the Government does not care about our 52,000 carers is wrong. We will pay out more than €1 billion to our 52,000 carers next year. They fulfil a vital service for the people they care for at home, and we acknowledge that. That is why we have made such a significant commitment to them. During this time of severe austerity, inflicted on us by Fianna Fáil, the Government is doing its level best to protect the 52,000 carers as well as the vulnerable children, people and elderly whom they look after. It is a fantastic testament to the Government that it has managed to achieve this over the past two years, although it has been extremely difficult at times.

Will Deputy Martin, the ultimate flip-flopper, ever apologise to the people for what he has done? It is amazing how he is able to re-invent himself. The Government is on the right track but we are due at least one, if not two, more tough budgets. We will have to defend these difficult actions but we are up to the task. We will not just accept what the Members opposite, particularly those from Fianna Fáil and Sinn Féin, claim on this budget. While they criticise the Government on the respite grant and how we look after carers, the Government has spent in excess of €1 billion looking after our 52,000 carers. In Northern Ireland, the total budget for carer's allowance comes to €190 million. There are significant differences in how we go about our work in tough times and we will be examining the Opposition's proposals. So far, the Opposition has spun a good story but, in politics, I do not like the way some people can narrowly focus on vulnerable cases just to score a point. We are looking at the broader issues and making some tough decisions. We also care hugely about the most vulnerable in our society which we will continue to do over the next several years.

Deputy Derek Keating: I welcome the opportunity to speak on the Social Welfare Bill 2012 and I welcome the Minister of State, Deputy White, to the House.

Like many other Members, I feel for and am concerned for those in our community who are struggling to meet their day-to-day demands and the needs of the less well-off in our society. Carers in our communities work in some of the most demanding and difficult circumstances. They do so with great love, willingness and with the support of the State.

Since the budget was announced this day last week, I have been examining ways of trying to find €26 million to meet the respite grant reduction that was announced by my colleague the Minister for Social Protection, Deputy Burton. All Members understand the economic crisis this State is in, particularly with the loss of our financial and social independence to the IMF because of the events and mismanagement of the previous Administration led by Fianna Fáil. However, it remains that social welfare in this country is one of the most supportive and highest paid welfare payments in the European Union, representing approximately 40% of total Government spend.

Accordingly, I find it incredibly difficult to listen to and accept Fianna Fáil's argument that the Government must find the money from the respite grant reduction from somewhere else. The reality is that in the 2011 budget, presented in December 2010, Fianna Fáil cut the carer's allowance and the carer's tax relief, along with the widow's pension, the invalidity pension and the blind pension. If that was not enough, Fianna Fáil removed the Christmas double social welfare payment. Fianna Fáil then opted for an across-the-board cut in payments which is exactly what this Government is trying not to do. It is unbearable having to listen, day in, day out, to the hypocrisy of Fianna Fáil Members like Deputy Kelleher when they criticise this Government which was given a mandate by the people to clean up the Fianna Fáil mess. It was

under the Fianna Fáil Administration that judges' pay and severance pay was increased. From information in a reply to a parliamentary question, I note many of the 35 judges who retired in recent years went with a pension and a severance package equivalent to winning the lotto.

For many years I have been troubled by the growth in dependency on the State, the abuse and the fraud in our social welfare system, which can be all too apparent at times. I came across a case recently and when I examined it I noted multiple such cases. I discovered young women who find themselves caring, not for one child or two, but for three and four children by multiple fathers who are uncaring and failing in their duties of care and support with the consequences picked up by the taxpayer. In such circumstances, a woman will have a lone parent allowance, children's allowance, rent subsidy, school grants, a medical card, fuel allowance and special payments from the community welfare officer which come under section 13 of the Social Welfare Act for exceptional payments. When does the State stop providing services for people who, in my view, should not be getting them because of the failings of the fathers of these children? It is a chaotic lifestyle but this increased dependency on the State encourages a new lifestyle of welfare economy. When it was simply impossible to reverse such payments in the good times, how can we cut them when we are in an economic crisis? We cannot continue to fund a welfare dependency economy while other genuine and more deserving citizens are having their payments reduced, including the respite carer's grant.

The establishment of family support for a girl or woman who finds herself in the unfortunate situation of an unplanned pregnancy is far from today's reality when, for example, many women cannot afford to regularise their living arrangements, whether it is marriage or partnership. This simply cannot continue. It is morally and socially wrong. The State cannot continue to pick up this expense for these new arrangements where men, irresponsible fathers who do not accept their responsibilities, are simply coming and going in a blended family type relationship.

I am supporting this budget with a heavy heart because of its impact on some of the most deserving cases. I believe there should be a review of welfare payments, including those cases which I just referred to where there is such abuse. This will allow us funnel the limited resources we have to those who are most needy and those in most crisis. We need to get our economy going. The Government is focused and determined to do this after the mess Fianna Fáil led us into and the opportunities it missed to make necessary changes when, in its own words, the country was awash with money. This Government is committed to making those changes and bringing our country back to life again.

An Leas-Cheann Comhairle: I call Deputy Ó Caoláin who I understand is sharing time with Deputies Stanley and Colreavy. I also understand there was an amendment on the Order Paper in the name of Deputy Ó Snodaigh that was not moved earlier. Would Deputy Ó Caoláin like to move that amendment?

Deputy Caoimhghín Ó Caoláin: Yes, I certainly will.

I move amendment No. 1:

To delete all words after "That" and substitute the following:

"Dáil Éireann declines to give a second reading to the Social Welfare Bill 2012 because it unfairly places the burden of recovery on children, carers and the low paid and having regard to the failure of the Government to consider taxing high earners and wealth instead."

The Government is bankrupt of ideas and has lost its way entirely. Like his party colleague last night, the Minister for Transport, Tourism and Sport, Deputy Varadkar, Deputy Twomey here this afternoon, unable to defend his party's decisions in this budget, resorted to misrepresentation falsehoods regarding Sinn Féin's role north of the Border.

The test of our respective performances will come at the next general elections in each of these parts of Ireland. I warrant that Sinn Féin will hold and likely build on its latest vote share. I wonder whether Deputy Twomey and the Minister for Transport, Tourism and Sport, Deputy Varadkar, can look forward to the same prospect, but I doubt it.

Who were the winners in budget 2013? The Government pretends there were no winners but the reality is that the most highly paid, the wealthy elite, escaped yet again and those struggling on the edge of poverty suffered most. "The more you have, the least you lose" and "Winner takes all" are the mottos of Fine Gael, the big political winners in this budget. It has beaten the Labour Party hands down in all the discussions that allegedly took place in advance of the presentation of the budget last week.

The Labour Party boasts that it has protected the core social welfare payments. This is a false claim. It claims to have fought the good fight in Cabinet and pushed for a 3% increase in the universal social charge for those earning over €100,000. It lost and that is the bottom line. The Minister for Finance, Deputy Michael Noonan, rejected the Labour Party and instead took his lead from the bosses of multinational corporations. The House need not take my word for it. What did the Minister, Deputy Noonan, say himself? He said: "The people who were advising us not to do it were the multinational sector in the country...". He said it was down to the pay packets of multinational chief executives. That sums it up. This is the Government that cherishes all the chief executives equally while the children are left out in the cold.

I deplore the cuts to child benefit in the budget. They are possibly the most far-reaching of all the cuts. Let us make no mistake: child benefit is a core payment and it has been slashed, contrary to Labour Party claims and pre-election commitments. The incomes of households with children were already falling further and faster before the budget. The Central Statistics Office survey on income and living conditions demonstrates that the incomes of households with children fell five times more than the incomes of childless households between 2009 and 2010, the latest years for which figures are available. Households with children are three times more likely to be in debt arising from ordinary living expenses than households without children.

The value-for-money review of child benefit published in 2010 by the Department of Social Protection demonstrates the dependence of middle income families on the payment. Its analysis found that households in the fourth and fifth of ten income brackets fall below or onto the poverty line after paying their taxes and the child benefit payment then lifts them onto and over the line respectively. These are the families that pay for everything but are entitled to nothing.

The child benefit cuts come on top of other penalties and obstacles encountered by struggling families. In November the Minister informed us that working families who are in poverty and who applied for family income supplement in June of this year may be waiting as long as April next year before a decision is made on their claims. Child care and after-school care are remarkably expensive. Working families with young children spend up to 41% of their income on child care. According to the Commission for Energy Regulation families with children have the most problems with many falling into arrears on their energy bills. Despite programme for

Government commitments, basic health care for children is decidedly expensive. According to a report by the European Observatory on Health Systems and Policies published at the end of November this year, this is the only state which does not offer universal coverage of primary care. The average cost of a general practitioner visit here is €51 compared to €22 in France. We are one of only three states to charge individuals for essential prescription drugs. Common medicines are many multiples more expensive to purchase in Ireland than elsewhere. We are one of only six countries to charge for attending hospital emergency departments. The hospital charge is considerably higher here than elsewhere at €100 compared to between €2 and €30 in each of the other countries that charge. Now, families who face child benefit cuts must also face higher charges for medicines through the trebling of prescription charges for medical card patients and the increase of the drugs payment scheme monthly ceiling to €144. The reduction of the back-to-school clothing and footwear allowance is another heavy blow to those least able to sustain the hit.

I have no doubt that the Social Welfare Bill, in combination with the health cuts, will damage the health of children. It would be fairer, simpler and economically sounder to introduce a third rate of income tax on all high earners. However, Fine Gael and Labour Party Ministers have set their faces against fairness. Will all members of their parliamentary parties follow them? I regret that this is what they all will most likely do.

Deputy Brian Stanley: Last week we saw a budget introduced here that was unjust and regressive. Unfortunately it has further deepened the divide in society between those who are well off and those at the bottom. For the second year in a row the Government has broken promises made to the electorate. The lies the Labour Party peddled during the election campaign have been exposed in this budget. Despite this, according to the comments of the Minister for Communications, Energy and Natural Resources, Deputy Pat Rabbitte, over the weekend, that is okay because they were only promises made during election time. Nowhere is this clearer than in the Social Welfare Bill, which could be more appropriately named the anti-social welfare Bill.

In the Bill the Government targets children, low earners, pensioners, small farmers, carers and the disabled. The Bill punishes those dependent on welfare for the sins of those who are well off. While the current economic crisis was caused by bankers, developers and, as earlier speakers noted, by the previous Fianna Fáil Government and its legacy of so-called light touch regulation or no regulation, those paying for it are those who can least afford it and certainly they did not cause the crisis.

We do not have a cohesive jobs plan and the Government is forcing more and more households into the arms of social welfare dependency and moneylenders as a result. Yesterday a report published by the ESRI confirms that 22% of families live in jobless households, twice the EU average. We do not have a jobs plan that is working. The study also shows that household joblessness should be recognised as a risk factor for poverty. It found that welfare payments were the most effective way of reducing poverty. However, rather than tackling the crisis in unemployment the Government and, worse, a Labour Party Minister, are attacking the unemployed and those who are dependent on welfare assistance to survive.

The best way to reduce the social welfare bill is to get people back to work. The abolition of the weekly PRSI threshold for all workers, including those earning only €352 per week, will impact hardest on those workers who are on lowest incomes. The pain is felt greatest by those earning the least. A single worker earning under €20,000 will experience a cut five times great-

er than those earning €100,000 and ten times greater than those earning €200,000. Not happy with punishing low income households, the Minister for Social Protection, Deputy Burton, will punish children in those households even more.

The proposed child benefit cut is punitive and cowardly. It will be the political legacy of this Government. A family with four children will be down a further €58 a month. The total cut to child benefit for a family of four since 2008 amounts to €208 per month. In her heart of hearts the Minister for Social Protection must know that this is wrong. This cut will add to child poverty, which currently stands at 19.5%. The current position is that one in five children are facing poverty over the Christmas period but the Minister's response is to cut child benefit.

There are cuts that are not apparent in the Bill, hidden cuts that impose reductions for the second year in a row. The back-to-school clothing and footwear allowance is cut by €50. This allowance is not a luxury, it is necessary. It is a necessity for many of the 700,000 people living in poverty when they are preparing children to return to school in September, an expensive period for parents. Following the Minister's cuts to the winter fuel allowance last year for pensioners and the disabled she has now cut the electricity allowance. This is an important point because many pensioners who live in old houses that do not have central heating use this allowance for the extra heating needed during the winter months to keep a bedroom warm at night.

The Social Welfare Bill is a litany of cuts and spineless decisions. Jobseeker's benefit was cut by three months following the earlier three month cut by Fianna Fáil. Only a short time ago it was for 15 months but now it is down to nine months. The respite care grant was cut by a sizable €325 down to €1,375.

The Bill will impact negatively on small farmers. The proposed increase from 85% to 100% on farm income liable for tax will have a huge impact on small farmers, in particular this year owing to bad weather and fallen incomes.

The Government's cut to the respite care grant has been greeted with a great deal of protest. I understand there will be another protest on this issue outside Leinster House tomorrow. This cut, which it is proposed will yield €26 million, will have a huge impact on carers, including 6,659 carers in Laois-Offaly. The grant is a relatively small amount. This cut of €325 per family will have a massive impact on carers, particularly those living in rural areas in terms of the running cost of cars which provide them with necessary transport. The grant is a lifeline for many of the carers with whom I have met down through the years. This was repeated to me by some of the protestors outside yesterday.

The Government is determined and is not for turning. Neither are the protestors for turning. They are not going to go away. What makes these cuts even more unbearable is that it was not necessary to introduce them. The Labour Party and Fine Gael chose this option when other decisions could have been made. A previous speaker said that this is a difficult budget. It is a difficult budget, as are all budgets, particularly given the current state of our finances. Nobody has a magic wand but other choices could have been made. Sinn Féin put forward alternative budget proposals, in respect of which it has been derided and told it was living in fantasy land. However, those proposals are based on solid information from the Minister's office. Are those who suggest Sinn Féin is living in fantasy land saying that the people in the Minister's office do not know what they are talking about and are giving us and the Parliament false information? Surely, that is not what they are suggesting.

The Government had choices. A wealth tax could yield €800 million. Standardisation of discretionary tax relief could yield €965 million. A third rate of tax on income over €100,000, which proposal the Labour Party supported prior to its entry into Government, could yield €365 million. The Government had choices. The ones it made are the meanest. The rich will be rubbing their hands with glee while poor people will be rubbing their hands to keep them warm. That is the truth. The Government could still reverse these cuts. I appeal to it, party political differences aside, to use this opportunity to do so. Let us at least unite around these issues.

Deputy Michael Colreavy: Before commenting on this particularly nefarious piece of legislation, I would like first to comment on another matter. While I accept the Government's comment around the legacy it inherited from the previous Government, the latter is not responsible for what is happening today.

An Leas-Cheann Comhairle: The Deputy must speak to the Bill before the House.

Deputy Michael Colreavy: I hope the response from the Minister of State, Deputy White, will not be to comment on what Sinn Féin is doing in the North because that is not helpful.

Deputy Alex White: I do not want to talk about that.

Deputy Michael Colreavy: As everybody is aware, these issues are addressed in the North by way of block grant from Westminster. The Government's concern, while belated, is quaint. Until such time as we have a united Ireland, on which project it is hoped the Government will work with Sinn Féin and that it will soon be achieved, and there is one good Government for all the people of this island, I will focus on what is happening in terms of the delays in processing applications for social welfare payments. The processing time for appeals in respect of invalidity pensions and allowances is ten months. Families in receipt of the family income supplement, which families have been assessed in detail and are the working poor with incomes inadequate to rear their children, are being denied the family income supplement payment while their eligibility is being reviewed, which process is taking several months. These people are often required to resubmit documents again and again and are advised, while waiting for their payment to be restored, to seek the assistance of the community welfare officer only to be told by their community welfare officer that he or she does not have the budget to meet their level of need. Many families do not have sufficient income to rear their children properly.

I do not know if the delay in processing applications is the result of incompetence or mismanagement. Thousands of people are owed hundreds of millions of euro. I am not a conspiracy theorist. However, I believe the Government benefits from delaying payment of social welfare benefits, student grants and farm payments. One wonders if these delays in processing by the Department of Social Protection are the result of cash flow problems, are an interest saving measure or if the purpose is to delay payments until next year so that the Government can receive a pat on the head from the troika for the savings it made in 2012 while at the same time the poor people of this country receive body blows. There must be some reason for it other than incompetence.

On the Bill, the Government says it has taken the hard choices. They are hard not for Government but for the people who are in the unfortunate position of having to depend on it for their existence. The Government can blame Fianna Fáil all it wants. However, it knows that for the many people who are not in a position to care for themselves the cuts proposed in this Bill will make that task even more impossible. It knows that these cuts will result in all sorts of social

problems and the malnourishment of children yet it has chosen to impose them rather than tax the wealthy. That is disgraceful and shameful.

Only a few weeks ago we campaigned in the children's referendum on the rights of children. Every child in this country should have the right to food, heat, decent housing, education and a happy existence. The Constitution states that we should cherish all the children of the nation equally. As stated by Deputy Ó Caoláin this budget cherishes all the chief executives of this country. It certainly does not cherish all the children of the nation equally. Child poverty is among the worst forms of poverty. While adults who find themselves in poverty can do something about it, even in the Ireland of today, children have no way of lifting themselves out of poverty.

The Government parties have not lived up to their promises prior to the election, leaving the electorate faced with a different country from that promised. While the Government parties, in particular the Labour Party, campaigned on express solidarity for political and civil rights across the world, they are abandoning social and economic rights in Ireland. The cut to the respite care grant is an unprecedented attack on the sick and elderly. There are thousands of families across Ireland caring for their loved ones. The worst part of this is that the Government is not only taking money from carers but is paying lip-service to the service they provide. The Government accepts that they are saving the State a great deal of money and knows they will continue to provide that care even if paid nothing for doing so because they are caring for a loved one.

6 o'clock

The Government is saying, "Go work 24 hours a day, seven days a week, 365 days a year because you are doing it for a loved one." I urge the Government, if it has an ounce of humanity, to reverse the particularly obnoxious cut to the respite care grant.

Deputy Michael McCarthy: We are living in an absolutely unprecedented difficult economic time. This is the second budget of five and there is not a Deputy in the House who wants to see the measures being spoken about widely being voted on this evening. We would all much prefer if that were not the case. To contextualise, the clean-up operation in this country, in economic terms, is akin to dealing with the aftermath of a terrorist aeroplane hitting the Sellafield plant. The clean-up operation is toxic, ugly, unpleasant and painful, but it is absolutely essential. The economy has been destroyed. I will deal later with the ideology behind the destruction of the economy, but, unfortunately, I cannot stop at that statement. I must extend it and say Irish society has been destroyed. We have to reconstruct it, from the foundation right up to the roof, literally brick by brick. Nobody was under any illusion during the general election campaign of 2011 about the scale of the task ahead of the new Administration. What is required, in the most difficult time in the history of the State, is strong leadership and difficult decisions. The most difficult decisions politicians will make, particularly those who lead the Government - the Taoiseach, the Tánaiste and Cabinet Ministers - are made under enormous pressure.

There have been some arrows pointing in the right direction. I am not going to repeat mantras such as "we have turned the corner" because when they were said on previous occasions, they turned out to be false. However, there is a wind of change blowing and we need to bring the people with us. That requires responsibility and maturity from all parties in the House. The budget is not about the next general election, it is about the next generation. Frankly, if that means I will be evicted from Dáil Éireann by the people of Cork South West, so be it because

bringing the country back to where it was will require difficult and unpopular decisions. I do not, for one moment, doubt the sincerity of Deputy Brian Stanley who I know has an admiration for James Connolly, nor do I doubt the sincerity of the sentiments expressed by his party colleagues. I take them to be genuine, but let us not for one second stand back from the difficult decisions to be made and the hardship that will be caused by them in order to get the country working again.

We are in a period of fiscal retrenchment which is absolutely regrettable. Right-wing ideology and chasing the capitalist Celtic tiger began the unravelling of traditional Irish society. The fallout from that attack is nuclear - I mean no disrespect to those who have been affected by nuclear fallout - and we should not underestimate the scale of the task facing the Administration. It is estimated, based on data from 2011, that the Irish banking crisis ranks as one of the most expensive in an advanced economy since the 1970s. I am not going to rehash the arguments on the blanket guarantee, who voted for it and who did not. It was a decision made by all parties and none in this House and Seanad Éireann, of which I was a Member at the time. The full extent of the crisis was not clear at that stage and, clearly, the advice available to the Government of the day was not accurate. My party took a decision which, had it backfired, would have had horrendous consequences for us as a political party, but we made our decision based on the advice available to us and in the best interests of the country.

The move to the right in the country was absolutely regrettable. We had the Progressive Democrats and Fianna Fáil which introduced a series of tax breaks. We must remind ourselves that Governments do not and never did own people; rather people elect Governments. I ran in three general elections before I became a Deputy. We must cast our minds back to the electoral cycle that is linked with the economic cycle of the country. Bertie Ahern won the elections in 1997, 2002 and 2007. When it came to elections, he was the Messiah and after each one, Opposition Deputies would sit on the Opposition benches, scratching their heads and wondering where it had all gone wrong. It is so easy to answer that question now. We must remember that a mandate was never given to those Governments to plunge us into the crisis we are in.

I argue strongly that the founding father of the modern welfare state was a former Member of this House, a former leader of the Labour Party and a great politician, the late Frank Cluskey. He was Parliamentary Secretary to Mr. Brendan Corish who was Minister for Health and Social Welfare from 1973 to 1977. In his wisdom and foresight, he created the Combat Poverty Agency, an agency which was so shamefully dismantled by Fianna Fáil when in government. He initiated what was known as the unmarried mother's allowance at the time in response to a letter written by a young single mother who was living in Dublin, having had to leave her home area because of the social stigma attached to those who gave birth outside marriage. She found herself living in a city with a young baby and nothing on which to live. She was literally left to her own devices. The visionary individual who wrote to *The Irish Times* inspired a political process, begun in the Labour Party's rooms in Leinster House by the late Frank Cluskey. He initiated the scheme to provide support for that woman and her child to prevent them from starving. Resources were scarce at the time and he did not have enormous sums at his disposal, but he initiated a range of other schemes, including pension schemes, deserted wives' allowance, the prisoner's spouse allowance and so forth. These schemes were initiated for those who had no money and I argue, some might say flippantly, that the people concerned would have starved without them. That is the legacy of the Labour Party in the State and nobody should underestimate the lengths to which we will go to get us out of the economic morass in which we find ourselves.

That any Government could abolish the Combat Poverty Agency speaks volumes and illustrates its thinking about those who are less well off in Irish society. The previous Government also abolished the Christmas bonus. Perhaps €200 is not a lot of money to those who followed the capitalist Celtic tiger and made an enormous profit from it and who, in turn, collapsed the banking system and plunged the public finances into their current state, but it was a hell of a lot of money to widows, pensioners, the unemployed and carers. It was the equivalent of a 5% reduction in basic rates of social welfare. I could repeat the argument that the Government has maintained basic rates, but I accept that this is of little solace to those who have seen the respite care grant reduced to €1,375. However, I argue that if my party was not in government and Deputy Joan Burton who as Minister of State in the then Department of Social Welfare launched a national poverty strategy in the early 1990s was not at the Cabinet table, we would see reductions in basic rates of 10% or more. Frankly, we will not take lectures from the former governing party on social welfare Bills because they reduced the blind pension by €5, which was callous. It was not an economic decision.

This not a time for amateurs and the country cannot take a gamble with what the alternatives might be. If the budgetary discussions had not worked out - there was a possibility that they would not - we would be facing a general election in Christmas week. What would we have then? The likelihood is that we would have either a Fine Gael minority Government, supported by right-wing Independent Members; a Fianna Fáil-Fine Gael Government; or even a Sinn Féin-Fianna Fáil-Independent Members Government.

Deputy Martin Ferris: No way.

Deputy Michael McCarthy: We would be plunging the country into a political crisis as bad as the one in Greece, which is the line some Members opposite argued for when the crisis began. We would then have parties in government which did not take the time to go to the Department of Finance to have their proposals costed. It would be bringing amateurs into a very serious, high stakes game and it is high stakes for the citizens of the Republic of Ireland, not for anybody else.

The restoration of the minimum wage in the last budget was indicative of what left-wing politicians do when in government, as is exempting 330,000 lower paid workers from the universal social charge. One might as well be speaking archaic Latin to a right-wing individual whose only interest is bringing down the Government so that it can be replaced with the right-wing ideology that allows his investments to be replenished. That is disgraceful. In the Croke Park agreement we have a vehicle that protects low paid workers in the public sector while achieving efficiencies.

I conclude by putting several questions to Opposition Members. They have rightly criticised the measures that the Government has taken. I am certainly not proud of this budget but it is essential. I hope for all our sakes that by the time we get to our fifth budget we will have fixed the banking sector and restored the public finances, which is what we set out to achieve, while maintaining the focus on those on low and middle incomes. I say that in deference to the people who are in trouble. We are trying to introduce measures that reduce the pressure on people in terms of their relationship with banks. I will not compare the Six Counties with the 26 counties. I have done that often enough to great aplomb in this House. I ask those who oppose the property tax whether they would abolish it if they are returned to Government at the next election. How will they restructure the public finances? Can they provide costed, constructive and honest proposals? Over the next couple of hours please tell the people whether they would

abolish the property tax.

Sinn Féin's pre-budget submission, which did not make its way to Merrion Street because it would have been thrown out, suggests that Deputies' salaries should be reduced from €92,000 to €70,000. If Sinn Féin Deputies are currently drawing the average industrial wage of €40,000, and I have no reason to believe they do not, their submission proposes to increase their salaries by €30,000 per year.

Deputy Michael McNamara: I welcome the opportunity to express my views on the budget, many aspects of which are disappointing. I am particularly disappointed that there was no increase in the universal social charge on incomes over €100,000 to bring it to the level paid by self-employed persons with similar incomes. I am aware of the argument that an increase in taxes on income would further damage the economy, regardless of how high the income may be. However, that does not make sense when those who are self-employed and, therefore, creating employment for themselves and others are paying a higher level of USC. I am disgusted by the reports that have emerged in the media in recent weeks that any increase in the USC would have to be accompanied by a cut to core social welfare rates. In other words, if we dare to touch the rich it will have to be accompanied by more pain for the poorest.

I have consistently argued that the cut to the respite care grant could be avoided by imposing a 3% surcharge on the universal social charge for pensions of more than €60,000. Only retired bankers, senior civil servants and the former colleagues of Deputies Martin and Ó Cuív who ran for the hills 18 months ago receive pensions of more than €60,000. I am not arguing that an increase in the universal social charge would obviate the need for a reduction in the social protection budget. A reduction in the social protection expenditure has to occur if we are to reduce the money this State spends to the amount that it takes in. There is no alternative to balancing the books and narrowing the deficit. Even the economists who argue for default acknowledge that the deficit has to be reduced to zero if we are to take that course.

However, cuts to the social protection budget have to be implemented in the fairest way possible and should impact least on those who have the greatest needs. Those who drive to work from towns and villages across County Clare to earn €10 or €20 more than they would get by staying at home should not be hit any harder because they are the heroes of society and not those who sit in this House. They go out to earn a bit more money because they believe in the dignity of work and are determined to contribute to society.

Much as I dislike the worst aspects of the budget, such as the manner of social welfare cuts and PRSI increases, as one Deputy out of 166 I have a choice to make. I do not intend to throw my hands up and walk away from the challenge of supporting a Government which has to take deeply unpopular choices. I could go over to the Opposition benches and be led by Deputies Adams and Martin as they compete for supremacy. Deputy Martin introduced cuts to core social welfare rates, which the Labour Party has refused to do, and reduced the national minimum wage, a measure which my party has reversed. He supported these measures without so much as a murmur while he was in power. Now that he is in opposition, however, his perspective is different. I do not believe Deputy Adams wants to be in government. He could be representing the part of this island with the highest unemployment rate, West Belfast, but he walked away from that problem because he knows that it is easier to sit on the Opposition benches than to take a stand. A backbench Deputy could take a stand and be unsuccessful but I intend to continue sitting on these benches while arguing the case for the ordinary people of County Clare who elected me.

Deputy Anthony Lawlor: This is one of the most difficult budgets ever announced in this House. My party is associated with Richie Ryan and the budget that he brought forward in the mid-1970s. The Cabinet of the time also took difficult decisions which were supported by Fine Gael and Labour Party backbenchers. I commend the Minister for Social Protection on the hard decisions that she took regarding social protection. Not long ago the media reported plans to cut €540 million from the social protection budget. Opposition Members were roaring and shouting about these cuts. We are fortunate that the reduction will only be €390 million, although that in itself will be difficult to achieve. In 2007, when Deputy Cowen's brother was Minister for Finance, the Government gave away everything. The then Minister increased all core payments by between 10% and 15%. In 2009 the budget deficit had grown to €25 billion and all core payments were cut. It is difficult to take Fianna Fáil Members seriously when they supported a series of savage cuts in 2009.

Deputy Stanley acknowledged that all budgets are difficult. His party recently presided over a difficult budget in the North of Ireland which involved the closure of PSNI stations and schools but it claims the right to stand here and make hypocritical statements about the tough decisions we are taking in government.

Deputy Michael Colreavy: On a point of order -----

An Leas-Cheann Comhairle: Deputy Lawlor only has one and a half minutes left.

Deputy Anthony Lawlor: May I continue? I will lose time as a result of this interruption.

Deputy Michael Colreavy: May I make a point of order?

An Leas-Cheann Comhairle: Briefly. I will allow Deputy Lawlor more time.

Deputy Michael Colreavy: I have already advised the House that a block grant comes from Westminster for the Six Counties. Sinn Féin has no influence on that.

An Leas-Cheann Comhairle: That is not a point of order.

Deputy Anthony Lawlor: Deputy Stanley also spoke about a united Ireland, which many of us would welcome. However, would the rate of carer's allowance be the €72 paid across the Border or the more than €200 paid down here? It is unfortunate that when we have promised not to cut core payments, cuts must be made in other areas to make savings. One of the cuts I find difficult to accept is the cut to the respite care grant and I have made a number of suggestions to Ministers with regard to how we could raise revenue elsewhere or make other savings. In my home town, Peter Riordan has been named carer of the year. He cares for his two sons and he cared for his wife. It will be difficult for me to face him on this, but I will face him and I will be honest and let him know what I have tried to do and what I hope to do with regard to respite care grants.

I will support the Government on this budget. We must make hard decisions and I am not afraid to make those decisions, so that even if I do not retain my seat in four years time, I will have left the country with a better legacy and in a better position than the one we inherited.

An Leas-Cheann Comhairle: I call Deputy Donnelly, who is sharing time with Deputies Ross, Halligan, Boyd Barrett, Daly and Pringle.

Deputy Stephen S. Donnelly: The Government's refusal to allow Dáil Éireann to have

adequate time for a meaningful debate on the Social Welfare Bill is outrageous. This Bill will push many people into poverty, yet the Government will not even allow our national Parliament sufficient time to debate it. What is the Government afraid of? Is it afraid its backbenchers may get time to speak? Deputy McCarthy made an excellent contribution, although I disagree with much of what he said. As elected representatives, we should have adequate time to debate the Bill. Is the Government afraid the people will see understand the impact this Bill will have?

This Bill will push men, women and children in this country into poverty. We do not know how many it will push into poverty, because the Government has not even had the decency to conduct a proper poverty impact assessment. Let me, therefore, introduce some figures to the debate. CSO figures for 2010 show there is now in every six adults in Ireland at risk of poverty and one in every five children at risk of poverty. Two years into this Government, I am pretty sure those figures have increased. However, the Government is now introducing, through PRSI, a flat income tax rise and is cutting child benefit for everyone in the country. Both of these regressive measures will hit the most vulnerable hardest.

Why does the Minister not means test child benefit? The Government says that is not possible. It can set up NAMA, invent promissory notes, figure out how to tax everybody's house, but it cannot means test child benefit. Why does the Government not introduce a progressive income tax? Fine Gael says this would disincentivise higher earners from working, but it has nothing to back this up. It has no data, research or surveys on this. All it has is its own ridiculous version of economics, which promotes inequality and poverty, somehow in the national interest.

The removal of the PRSI threshold will affect more than 1 million workers and will hit those who have the least more than anybody else. In its defence, the Government points to a progressive tax system. We have a progressive system, but this sort of measure undermines that. A sum of €256 a year may not sound like a lot to a Minister or a Deputy. It certainly does not sound like much to members of the so-called Economic Management Council. However, if one is one of the 20% of children in Ireland at risk of poverty, that is a hell of a lot of money. The cut to child benefit also amounts to a lot of money for these people. Again, this will hit the poorest families the worst.

Since 2009, the annual child benefit for a three-child family will have fallen by more than €1,600 a year following this budget. For many people, that is the difference between being at risk of poverty and of being in poverty. What do these measures on PRSI and child benefit achieve? They will raise just €500 million, which will go just a small fraction of the way towards paying off the promissory notes. The fact the Minister will not even allow the Dáil adequate time to debate this is pathetic.

Deputy Shane Ross: I do not come to this debate with any strong ideological position, but I am staggered by what the Government is doing through its cuts, particularly to carers. Like many of the Members on this side of the House, I spent some time outside Leinster House yesterday and some time in my constituency this morning discussing the proposed changes and was staggered by the fact that carers are bewildered. They do not understand how the Government, for the sake of €26 million, can cause so much offence, discomfort, difficulty and hardship to them, when it could so easily get that money elsewhere. That is what amazes them. They are amazed that a government that is committed to caring, to an ideology that is soft left, is prepared to make these unnecessary cuts in social welfare.

In Stepaside this morning, these carers pointed out to me that they work for the social welfare benefits they receive. They do not begrudge social welfare benefits to anybody, but they work for their benefits day and night, 24/7, yet the Government is removing some of their benefit from them. Why is that? It is being taken from them, because they cannot walk off their jobs, because if they did, they would be deserting family, friends and people to whom they have been loyal carers. There are easier ways the Government could have found to save €26 million.

The Minister for Transport was in Leinster House the other day seeking approval for an extra borrowing requirement for CIE, a corrupt semi-State organisation, of €300 million. Earlier in the summer, he had agreed to give them €36 million, more than the Government is taking from the carers. He then took that away and then returned it.

The decision to reduce the carers' respite benefit is extraordinary. It shows the priorities of the Government are bizarre and perverse. The same is true with regard to the cut in children's benefit. There is a kind of myth abroad that somehow carers are spending their money on holidays and that mothers of the children of this country are spending their children's allowance on something else. That may be true in the case of a minority, but is certainly not true for the majority. People being deprived of this money are people who need it badly. In the case of children's allowance, these are the same people who are being crucified for money elsewhere.

I do not believe social welfare should be cut until we cut other benefits that are easily abused. What about social welfare fraud? Why is that issue not tackled properly in the budget? Why is there some sort of taboo about doing that, a taboo Governments continually refuse to tackle with the vigour necessary?

Deputy John Halligan: Just weeks ago, the Government promoted a referendum on children's rights, despite the fact it knew damn well it would follow it up with socially irresponsible direct attack on children which has the potential to affect some parents' ability to care and provide for their children and, possibly, push more children into the care of the State.

Cuts to the back to school clothing allowance will cause enormous hardship for struggling families. Overall, the awful treatment of mothers and children in this budget puts the once proposed Fine Gael tax on children's shoes in the ha'penny place. I listened to some of the Deputies on the Government side talking about ideologies, the left, the right and whatever. It has always been the case that the less well off in societies around the world are the most vulnerable to attack by the right. In Ireland, the less well off, the 700,000 people on the verge of poverty, or the 200,000 children on the poverty line, are under severe attack, with nobody to defend them. They have been abandoned by the main political parties, as I have said in this House previously. They have been abandoned by the church. They have been abandoned by the trade union movement, the leadership of which really has no credibility with workers or families because of its close associations with successive Governments. It is easy to attack all of these people because nobody stands up for them, with the exception of a few parties and a few individuals. The Minister does not do it. The Labour Party does not do it. Fine Gael does not do it. If one speaks to those involved on the coal face in front-line organisations like the Money Advice and Budgeting Service, the Society of St. Vincent de Paul and Social Justice Ireland, one will hear that every one of them is absolutely shocked by what the Government is doing.

I spoke last week to a woman in my constituency who has three kids. She was shocked and distressed that so much money is being taken from her. She really does not have any money to give. She described it as "cruel". Nobody should stand up here to make excuses or suggest that

the Government is doing what it thinks is right for the years to come. I will repeat what I have said to Labour Party Deputies previously. The things that have happened in this country cannot be corrected in the next two, three or four years. When those on the Labour Party benches vote in favour of this Bill tonight, all they will have done is create enormous hardship that will live long in the memories of the 700,000 people and the 200,000 children who will be three years older at the next general election and will remember what has been done to them. I am looking at the Minister when I say that, but she is not looking at me. I know her well and I have respect for her. I speak to her regularly. I have told her that I would never criticise her personally and I will not do so today. The Minister and her party colleagues cannot deny that when this Bill is passed, it will drive thousands of people into poverty. That is clear from the statistics that are available to us.

Deputy Richard Boyd Barrett: All of the political point-scoring - the jibes about Fianna Fáil, about what happens in the North and about the Labour Party - has to be set aside at this juncture, frankly. Notwithstanding the ideological differences we might have or where we might stand on the left-wing spectrum, I appeal to the Labour Party Deputies to think hard about what they will do tonight and tomorrow. If these measures had been introduced two years ago, they would have been screaming in denunciation of them and rightly so. These measures will drive people who are on the edge over the edge. It is as simple as that. The statistics make it clear. I am sure all Deputies are hearing about this on every street corner and in their clinics. People cannot take what the Government is planning to impose on them. There is no justification for it.

The Labour Party knows there are alternatives. Fine Gael does not believe there are alternatives. The idea of imposing higher taxes on the rich is anathema to Fine Gael Deputies because they represent that section of society. The Labour Party Deputies do not represent it, however. They know there is a just alternative to this budget. It would require the imposition of modest increases in income tax on those earning over €100,000. It would eliminate the need to impose these measures on the poorest people in our society. I assure the Deputies in question that the people who voted for them will never forgive them for this breach of trust. They must know it. We are getting it all over the place. The leader of the Labour Party, who cannot be pinned on many things, was pinned on one thing three days before last year's general election. He said solemnly that the Labour Party would not participate in a Government that would cut child benefit, but he has breached that line. He has crossed the Rubicon. That is a betrayal for which he will not be forgiven. I remind the House of the price Fine Gael paid for its attempt to impose VAT on shoes.

I would like to put a political point to the Labour Party. If there is one thing that could rehabilitate the fortunes of Fianna Fáil, which destroyed this country's economy and plunged us into this crisis, it is what the Labour Party is doing tonight. Those who represent the Labour Party in this House could be responsible for the return to power of Fianna Fáil when this Government is swept out of office, which is going to happen sooner or later as a result of what is going on. That would be a terrible testimony to the betrayal they are engaging in now. I appeal to the comrades of the Labour Party not to do this. I urge them to stand with the people who voted for them by defending working people, the vulnerable, the families of people with disabilities and the unemployed. I plead with them not to do this to the ordinary people who are the innocent victims of this crisis.

Deputy Clare Daly: One of the most disgusting and reprehensible speeches ever delivered in this institution was made in 1924 by the Cumann na nGaedheal Minister for Industry and

Commerce, Patrick McGilligan. In response to an outcry from Labour Party Deputies about the proposal to reduce the old age pension by 10% - the Deputies in question spoke of the hardship, horror and starvation being experienced by families across the nation - he said: "There are certain limited funds at our disposal. People may have to die in this country and may have to die through starvation." That was shocking then and it has a shockingly familiar ring now. It reminds me of the waffle and nonsense to which we have been subjected by Government Deputies in recent days. They have spoken about challenges and difficult choices. They have made their choices and now they are wringing their hands.

Deputy McNamara spoke reprehensibly and patronisingly about those who drive around west Clare for an extra €10 so they can engage in what he described as "the dignity of work". What is his answer? By agreeing to the changes in the PRSI regime, he will put his hands into their pockets to take €5 of the extra €10 they get for doing a week's work. People do not need the platitudes of those who are keen to pat them on the shoulder. They need answers. They need to know why the Government has chosen to elevate the interests of the wealthy and of corporations, rather than attacking such interests. It is as simple as that. We have made comparisons with the likes of Connolly and Larkin, who would be ashamed to think of what has happened to their party. To be honest, it is insulting to such people to mention them in the same sentence as the Labour Party of today, which has become like the Blueshirts it spoke out against in the 1980s.

The Government is talking about protecting core payments while cutting the respite grant. Some people who receive that grant do not get any other payments. This is their core payment - the only thing they get. It has been implied that these people are some sort of a luxury, or are a drain on the economy. The reality is that their efforts, in working to care for their loved ones in their homes, have saved the State a fortune. We have been told that this payment has to be cut to plug the gap in the social welfare fund. The gap in the social welfare fund did not develop because allowances are too high. It resulted from this State's chronic unemployment, which the Government has failed to tackle in any way. Government Deputies have argued that they are having to make difficult choices, but I assure them that the consequences of the actions they are foisting onto the shoulders of ordinary people will be more difficult. The statistics bear out what I am saying. The wealth of the top 10% of the population in this country has increased in the same proportion as the decrease in the wealth of those at the bottom. Corporations are getting away scot free. The Government's failure to tackle this is the direct reason people are in poverty. It will pay a hefty price for that.

Deputy Thomas Pringle: In the limited amount of time available to me - I would not mind having 20 minutes - there is not much point going into detail on this Bill. It will suffice to say I am opposing it in every way. The manner in which the Government has handled the guillotining of the Bill shows the contempt it has for debate in this House. A member of the public asked me last week what the most disappointing thing is about being a Member of the Dáil. After thinking about my answer, I had to say that the worst thing is the cynicism in here. The debate on this Bill and on the budget in general has reinforced my view of the cynicism in this House. During our discussions on these cutbacks, some Government Deputies have shown a galling attitude when they have been challenged on what they said when they were in opposition and during last year's election campaign. It must be sickening for the public to hear Ministers saying the exact opposite of what they said when they were in opposition. They are even dismissing the election campaign and suggesting we should really know better about the things said during a campaign.

The performance of the Minister, Deputy Pat Rabbitte, on “The Week in Politics” on Sunday said it all. I could not help but remember his performance on “Prime Time” when he attacked Fianna Fáil for destroying the country and how he appeared to express the anger of the nation that night. We now see that it was all a performance and meant nothing. It was all part of a show, like so many of the set pieces in this House.

The Taoiseach claimed there had been a democratic revolution in the general election last year. The counter-revolution is under way and victory is almost at hand for the politics of cynicism. The Government will be responsible for the death of real change in politics. Labour Party and Fine Gael backbenchers will vote in favour of the Bill and dash people’s hopes further - the hope things could be done in a different way, the hope the Government would reflect their needs and put them first, and the hope that, when they got rid of Fianna Fáil, there could be change.

The Bill should be opposed by every fair-minded person in the House. The cut to the respite care grant is a touchpaper that has highlighted what is wrong with the budget. It could have been any other cut provided for in the Bill - for example, the cut to the back-to-school clothing allowance, on which the Minister only says there is good value to be had on clothes. There is a lack of imagination to the cut to child benefit and it seems it is just too hard to tax or meanstest it. There is also the imposition of tax on maternity benefit and the cutting of the period in which people can claim jobseeker’s benefit. The Minister has tried to suggest this is encouraging people back to work, but where are the jobs they are supposed to be getting? There is also the issue of penalising those who have been overpaid owing to mistakes made within the Department where the vast majority of overpayments take place and not through fraud. For all of these reasons, the Bill should be opposed.

Deputy John O’Mahony: I wish to share time with Deputies Seán Conlan, Billy Timmins and Joe O’Reilly.

Acting Chairman (Deputy Jack Wall): Is that agreed? Agreed.

Deputy John O’Mahony: It was obvious as far back as 2009 or 2010 that the budget for 2013 was going to be the most difficult of all, whether it was introduced by Fianna Fáil, Fine Gael, the Labour Party, the Technical Group or anybody else. At that stage, if one had looked back to the year 2000, it was a time when there was wastage and misspending and the economy was built on quicksand, with no provision being made for the rainy day, whereas now we have a torrent. In those early days of 2008 and 2009 we were being told it was just a mere blip, that there would be a soft landing and that the economy was sound. In reality, we were on a cliff and facing economic challenges that the State had never faced since its foundation.

The challenge for the Government has been as far as possible to protect the vulnerable, while getting back our economic sovereignty at the same time. This has to be done at a time when income from taxes is coming in at 2000 levels but social welfare payments need to be, as far as possible, kept near to 2013 levels. Many measures in the past couple of years have successfully protected the vulnerable in society. Some 300,000 people were made exempt from the universal social charge last year and in the past year 150,000 medical cards were issued when there was only a projected need for 105,000. The reality is that 42%, almost within shouting distance of half the population, have medical cards whereas, at the end of the time of plenty in 2007, only 27% had them. In many instances, therefore, the vulnerable have been protected.

In the budget announced last week the main social welfare rates for pensioners, jobseekers

and carers were maintained and the social welfare ceiling was raised by €150 million over that which had been projected. Nonetheless, there is no doubt that there is much concern about the cut to the respite care grant which brings it back to 2007 levels. The fact is this payment is not made until June of any year and I ask the Minister to look at it again in the calm light of day, perhaps in the Finance Bill. With regard to carer's allowance in general, while I know the Minister is doing all she can, waiting times of up to eight to ten months are experienced on the ground. When applications for carer's allowance are made, we need to reduce waiting times by as much as possible.

Another change made in the budget which has a big impact in my constituency of County Mayo is to the farm assist criteria, whereby the income and child disregards will be abolished from next April. Again, as this change will not apply until next April, I hope it can be reconsidered in some way. There are 1,815 farmers on farm assist payments in County Mayo, the highest number by far of any county.

In recent days we have listened to Members on the opposite side of the House making a lot of noise about the cuts made. To return to my point about the protection of social welfare rates, carer's allowance was €220.50 in 2009, but this figure was reduced to €204 in the last two budgets of the previous Government, a cut of approximately €850 a year. Similarly, blind pension was reduced from €204 to €188, also a cut of approximately €850, and there were similar cuts to widow's pension and other payments. I had always assumed that these were vulnerable persons also. Let us not have lectures, therefore, from people who did not protect the main rates of social welfare.

Deputy Seán Conlan: I welcome the Minister's intentions and commitment to move from a passive to an active welfare state. Everybody in this republic has a valuable part to play in its rebuilding. I note the Minister has been active in formulating activation measures to assist people to get back to work by upskilling and retraining. I note the comments she made about the previous two Governments' utter failure to address the problems of jobless households and the alarming statistic that the jobless figure rose to reach 15% of total households at the height of the Celtic tiger when there was large inward migration to fill job vacancies.

It is welcome that the Minister's Department will be providing 10,000 new placements on unemployment schemes this year and that, notwithstanding the enormous pressure she is under to reduce the social welfare budget, she was able to protect the basic rate of widow's pension, invalidity pension and carer's allowance, which were cut by Fianna Fáil to the tune of almost €850 in its last two budgets in power. The Minister was also able to protect the rate of job-seeker's allowance.

I have concerns, however, about certain parts of the Bill. An alternative should be found to the blanket cut to the respite care payment. While I understand the Minister is under pressure to save money, I ask her to go to the Cabinet to seek approval for a review of this measure. I have sought, with some Fine Gael colleagues and through internal Fine Gael channels, a meeting with the Minister to discuss the matter. I hope this meeting can still take place. I would like to make some constructive suggestions. This payment is not due to be paid until June next. Will the Minister seriously consider leaving the carer's respite grant at its current level on a fully vouched basis? This would allow those who rely on the payment to continue to receive it. In this alternative carers could be allowed to choose between retaining the current payment on a fully vouched basis and accepting the lower amount on an unvouched basis.

With regard to child benefit, in the interests of real reform, rather than cutting the rate of payment, in the future we need to look seriously at means-testing this payment in order to ensure it is protected for those who need it most. In this alternative all income, regardless of its source, whether through work or welfare, would be regarded as taxable to ensure we had a truly progressive tax and welfare system. However, in this scenario we would have to ensure married couples were not at a disadvantage.

I find it incredible to listen to and experience the collective amnesia and rank hypocrisy of former senior Fianna Fáil Ministers such as Deputy Micheál Martin, who sat at the Cabinet table, approved and then forced through the cuts to the baseline carer's allowance payment from €220.50 in 2009 to €204 in 2011. They are now crying crocodile tears about the reduction in the respite care payment.

Deputy John Halligan: That does not justify this measure.

Acting Chairman (Deputy Jack Wall): Order, please.

Deputy John Halligan: The Deputy wants carers to vouch for their allowances. Apparently he does not trust them.

Acting Chairman (Deputy Jack Wall): Deputy Conlan should be allowed to finish his contribution without interruption.

Deputy John Halligan: How could he be any more insulting? Are Labour Party Members listening to this?

Acting Chairman (Deputy Jack Wall): Deputy Halligan had the opportunity to make his contribution without interruption. He should afford Deputy Conlan the same opportunity.

Deputy Seán Conlan: I had intended to finish on that point. However, I will take this opportunity to inform Deputy Halligan that I do not take lectures from a populist waffler like him who comes into the House with that type of rhetoric. I am trying to make progressive suggestions.

Deputy John Halligan: The Deputy is insulting carers.

Acting Chairman (Deputy Jack Wall): Deputies, please. I have called Deputy Billy Timmins.

Deputy Billy Timmins: Before dealing with the Bill, I refer to the commitment the Government gave to facilitate an analysis of budgetary proposals and greater transparency regarding the budgetary process, including the preparation of the Finance Bill and Social Welfare Bill. The idea was that there would be an opportunity to discuss the issues in detail - to prepare the ground, so to speak - whether in plenary session in this Chamber or at committee level. It is something that must be done in the future. Alongside that, it behoves Members on all sides of the House to come forward with proposals and meaningful analysis. Having been in the Chamber for the past 30 minutes or so, I am struck by the lack of analysis and proposals from the other side of the House. It is easy to condemn but rather more difficult to come up with positive concrete proposals.

Deputy Richard Boyd Barrett: We have tabled amendments.

(Interruptions).

Acting Chairman (Deputy Jack Wall): Deputies, please.

Deputy Billy Timmins: I would appreciate if Members opposite would show a little respect. I did not interrupt them and I ask that they have the manners to be silent while I am speaking.

I welcome the decision to maintain the headline carer's allowance rate. The reduction in the respite care grant represents some 7% of the €390 million of savings contained in the budget in the area of social protection. This proportionately small fraction of the overall savings package has caused great difficulty for many and angered even those who are not directly affected by it. It seems to have sent out the message that this Government does not care about vulnerable people, which everybody on this side of the House knows is not true. It is difficult to unravel the various figures contained in a budget at this point, but perhaps the Minister will undertake an analysis of the respite care grant and whether any modification of the decision in regard to it is possible.

It is important that we protect those who are most vulnerable. The Minister is well aware of the concerns Members on all sides of this House have in regard to this issue. The welfare system in this State was established with the objective of assisting the most vulnerable members of society. Nobody could dispute that this country offers very generous welfare provisions by any standards. Relative to any other country in the world, people in this State have access to very generous benefits. One of the difficulties, however, is that in the past 15 years in particular, politicians in this House have used the social protection budget to bribe the public. Child benefit, for example, increased by some 240% in a period when the cost of living rose by 40%. Government sought to buy off the public over a long period of time and we are now paying the price for it.

There must be the possibility for a row-back on welfare provisions that may have become inflated, but there must also be a row-back on other issues such as professional fees and public sector pay. We do not have a great deal of moral authority to argue for putting the welfare budget in order when so many other areas are neglected. Nevertheless, this should not prevent us from analysing this budget on its own merits. Welfare reform is necessary and I have every confidence that the Minister can achieve it. A difficulty in this regard is that due to the low standing of politicians in the public domain and the failure of the media to assist in analysing genuine reform proposals, we have a situation where anybody who puts his or her head up and seeks to develop a proposal will be pounced on in the manner in which my colleague, Deputy Conlan, was attacked by a Member opposite. Anybody who offers an analysis or makes a well-thought-out proposal is tackled in an emotive way. While I do not doubt the bona fides of anybody in this House in terms of his or her concern to protect vulnerable people, nobody has a monopoly of concern. If I were to analyse a cross-section of the people who voted for me or any of my Fine Gael colleagues in the last election, I would not expect to find a huge difference between them and those who voted for Deputy Richard Boyd Barrett, for instance. The notion of seeking to typecast different parties or individuals into certain categories does not wash with me.

It is important to acknowledge what is positive in the proposals before us today. I particularly welcome the provision for 6,000 additional child care places, an extra 2,500 places under the JobBridge scheme and the retention of the back-to-education allowance. There are many

positive aspects of this budget which, we should not forget, sets out a spending programme of more than €20 billion. I am a strong believer in workfare as opposed to welfare, which is not to say that I do not acknowledge the situation of certain vulnerable persons who will never work again due to physical disabilities or otherwise. When I talk of workfare instead of welfare, I do not have in mind somebody sweeping the roads or cutting a hedge. I am talking about the architect, for example, who cannot secure employment and would be eager to build up both expertise and self-esteem by offering his or skills to a local authority or State agency. In this context, I look forward to the report on tax and social welfare which will be published soon. It is my view that all benefits should be taxed. If that means raising the disability allowance, for instance, to account for the tax increase, then it should be done. People who pay tax have a greater investment in and buy-in to the system. I am not suggesting that people's payments should be reduced - rather, payments should, where necessary, be increased in order to allow for their taxation. I also support Deputy John O'Mahony's comments regarding the farm assist scheme.

I conclude by asking the Minister to take another look at the respite care grant. I have no doubt that she has more compassion in her little finger than some of those in this House who have sought to undermine her. I wish her well in her endeavours in the coming months.

Deputy Joe O'Reilly: I congratulate the Minister on bringing forward this Bill and acknowledge, as Deputy Billy Timmins did, her practical compassion in a very difficult situation. That compassion is reflected throughout these proposals. We cannot address the Bill without placing it in its proper context, namely, the requirement that €3.5 billion be taken out of the economy in accordance with the requirements of the EU-IMF programme and the inescapable fact that the country this Government inherited was effectively bankrupt. Every budgetary provision must be viewed in that context. I respectfully challenge Members opposite, such as Deputy Shane Ross, who urged that certain measures be rescinded on the basis that the savings forgone can be made elsewhere. Will they clarify precisely where this money can be found? It behoves anybody in this House who offers legislative proposals to be very clear in that regard. I address this point to Deputy Ross in particular.

The major achievement of this Bill and last year's Bill is that they have maintained headline social welfare rates, in real terms and every other term. These are the fundamental payments across the entire spectrum of social protection. There is no taking from this achievement in the context in which we are operating. I congratulate the Government on that success and am proud to be associated with it. This is not to say that I am not aware, or anybody else on this side of the House is not aware, that we are in very difficult times and that many people are in a very dark place. I know that from my work, from extended family and from everybody I deal with. People are undoubtedly suffering and nobody is suggesting the contrary. However, the maintenance of headline social welfare rates is a huge contribution to the alleviation of that suffering.

The effort of the Minister to achieve job activation, to create an opportunity whereby persons on jobseeker's allowance can truly be viewed as jobseekers, is a wonderful development. I encourage her to continue on that path. In this regard, I welcome the 2,500 additional Job-Bridge places, 2,500 Tús places, 2,000 additional community employment scheme places and 3,000 social employment scheme places. These amount to 10,000 extra places to assist jobseekers to make the transition to work.

The additional €30 million allocation for education and child care is of great significance, including the €2 million for school meals.

7 o'clock

Schools meals can affect people's lives for the good. I say that as a former primary teacher. The implications of having school meals are considerable and I welcome the measure. It is simple and small but very real, with implications for learning, socialisation and development on every level, and I commend the Minister on it. I also applaud the 6,000 additional places that will be available for after-school care, a most significant step. In many ways, it negates the impact of what has happened in the area of child benefit, as, of course, it is intended to do. I salute the Minister because intervention that can allow people to go back to work will have real implications for the lives of the children in question. In many respects, direct interventions in the lives of children are very much in keeping with the spirit of the recent referendum about putting children at the centre of things. That is achieved here and I salute it.

We cannot avoid the issue of carers, for whom I have enormous regard, as does any right-thinking person in the country. There is a highly emotive dimension involved because we hold our carers in great regard and know the output of their work. They are the most productive sector of our economy, if one has the correct values. That is not at issue. It is a great achievement that we have maintained the headline rate for both the carer's allowance and the half-rate carer's allowance. The respite grant cut is regrettable and one of the first objectives I will bring to the Minister's attention as we get the country sorted will be to reverse it. However, there has been an enormous increase in the budget in the entire area of carers, and something had to give in order to protect the headline payments. Although the cut is painful and we do not want to do it, it is minor in the sense that we are talking about €8 a week. Given that, I salute our carers. To the Minister, I point out that just as it is crucial to have the job activation schemes to which she is committed, it is similarly crucial that during the course of the coming years we should do everything we can to augment the work of our carers and put them centre stage. They are the vehicle that provides quality of life and takes people out of alternative care.

Acting Chairman (Deputy Jack Wall): I understand Deputy Calleary is sharing time with Deputies Seamus Kirk and Robert Troy.

Deputy Dara Calleary: Yes. Deputy Kirk and I have seven and a half minutes each, with five minutes for Deputy Troy.

I welcome the chance to speak on the Social Welfare Bill, but first I will pick up on something mentioned by Deputy Timmins and a number of other Deputies. This is madness. It is the same every year, regardless of who is outside the House. On this occasion we will spend only two days talking about social welfare cuts and then we will move on. Next year we will come back and spend another two days, but in the meantime there will be no substantial reform of the system. The debate is all about specific cuts, with no real analysis or consideration given to the system and no one asking the question of whether it is still fit for purpose as we deliver the budget in 2013. I refer, for example, to jobseeker's benefit and the difficulty involved in signing off and back on again if a person gets a day's work. Hurdles are put in the way which discourage many people from seeking part-time employment. This in turn has encouraged the growth, once again, of black-market practices. It is an area that needs fundamental reform, but it is not being discussed because of the cuts that have been proposed.

There are many other areas of concern. The Minister has made some sneaky changes in the cuts and restrictions she initiated in the community employment schemes. No longer can rental of offices be included as part of the scheme, which will have an enormous impact. I gather the

Minister for Public Expenditure and Reform, Deputy Howlin, plans to change the entire budgetary process, but it might have been beneficial if the cuts the Minister, Deputy Burton, proposed had been discussed in advance rather than in a two-day debate. We heard the Minister often enough when she was on this side of the House. If a two-day debate had been devoted to these cuts there would have been whingeing, whining and wailing, led by her. Yet here she is, satisfied to sit back and allow this Bill to be done and dusted in less than a day, when all the hours are counted together. It is just not good enough, especially when compared to the mandate her party sought. That is the difficulty. I have a lot of sympathy for the very decent people in the Labour Party. They sought a mandate in 2011 with a manifesto which, as her party's finance spokesperson, the Minister had prepared. She was in full possession of the facts about the seriousness of the country's financial situation because she had been briefed not by the outgoing Government but by the Commission and the troika. She made a great palaver about going to meet the troika. She knew the situation and yet she presented a manifesto that guaranteed no cuts would be made in many areas, including child benefit. Those genuine people who sought a mandate on behalf of the Labour Party signed up to that manifesto on the basis of a belief in the Minister, Deputy Burton, her integrity and her management of their economic policy. Now she comes into the Chamber and rams through these cuts affecting children, carers and small impoverished farmers because she did not take her responsibilities as Opposition spokesperson seriously enough in 2010 and 2011. By her actions, therefore, she is selling out many of her backbench colleagues. The Minister has set herself up as something of a little independent republic in this Government. Tonight, however, the reality is that those of her colleagues who sought a mandate on the back of her manifesto in 2011 are now being sold out by the Minister and her colleagues. They are being sold out by the Minister because she was in full possession of the facts in 2011 when she created that manifesto.

There are many areas and Departments in which the Government could have made different choices that would have allowed us not to target carers - the people who, as we speak, are giving unbelievable service to this State. We would not have had to target children, small farmers or the CE schemes had this Government made different choices with regard to those with high incomes and earnings. The Minister has made and presented her choices. I have no doubt about the sincerity of all the Minister's backbench colleagues in calling for her to examine the carer's respite grant and the farm assist payment before the cut comes in April. Tonight is their chance to force her to examine this, not by talking about it but by walking with us. The truth is that when the Minister gets out of the Chamber tonight and tomorrow she will be out of the gap and will not come back until next year. God knows what she will be doing in the meantime in the Labour Party. However, carers will have a cut in their incomes and small farmers will be destroyed because the Minister is taking the ground from under the farm payment in the Bill. I do not excuse her, although she is an urban Deputy and does not understand the issue. However, as farm assist is so utterly important, I cannot understand how the rural Fine Gael Deputies, in particular, are allowing her to do this. Children's benefit will be cut; for many families hundreds of months' worth of benefit will be cut. There are also the changes in the CE schemes.

I welcome the activation measures. JobBridge has been a fantastic success, and those who criticised it need to bring ideas to the table. The people who participated were excellent. There was an announcement of a local authority social scheme in the budget, but when I submitted a parliamentary question in order to get information on the scheme, an official from the Minister's Department contacted my office to inform me that the Department had not heard about it. Is this something for the Minister for the Environment, Heritage and Local Government, Deputy Hogan? I have full confidence it will be a good scheme if he has charge of it.

Deputy Joan Burton: I believe they have heard of it.

Deputy Dara Calleary: The Minister might share the idea with her colleagues. It sounds like a good scheme, one that would give skills to those who want to use their talents and who, because of the construction collapse, can now give their skills to the community. That scheme needs to roll out quickly. Flexibility is needed in such schemes in order to respond to demand. One of the difficulties in JobBridge is that there are not enough places to meet the demand. The marketing behind it has been quite poor.

Deputy Joan Burton: There was no budget.

Deputy Dara Calleary: This is where one must think outside the box, which brings me back to my opening point. The carers, small farmers and parents of this country are paying because of the Minister's inability to think outside the box. She is doing it the easy way, with cuts, instead of re-imagining the system. She has had 18 months to do that - to come forward, reposition and re-imagine social welfare - but we have seen nothing new from her yet. Perhaps in the course of the coming 12 months she might surprise us and present something new, but tonight, because of her failure to be imaginative and her inability to bring her Government colleagues around her in terms of re-imagining, it is the carers, mothers and small farmers of Ireland who are paying. Ultimately, it is the Minister's backbench colleagues who will pay.

Deputy Seamus Kirk: Fianna Fáil is opposed to the Bill and the provisions it contains. Budget 2013 places a deeply unfair financial burden on countless families throughout the country. It will whittle away the social safety net until only a bare thread remains. Mothers in particular are being unfairly targeted by the cuts, one of which will result in child benefit being hammered, workers are being hit by the regressive PRSI tax hike, and front-line carers are being undermined by a callous cut to the respite grant. Mothers have been hit hard. The cuts to child benefit and the back-to-school allowance and the failure to live up to the promise made by the Minister, Deputy Burton, to introduce a Scandinavian-style child care system will have a severe impact on them. The cut to child benefit is a direct break with Labour's pre-election pledge to maintain the payment. The Tánaiste, Deputy Gilmore, highlighted this pledge as a precondition of going into government with Fine Gael. The cynical betrayal of its promise to the electorate exposes the vacuum that is the Labour Party in government and leaves ordinary mothers to pay the price.

Core social welfare payments are being cut through the back door. The reduction in the eligibility period for jobseeker's benefit is simply a 25% cut in jobseeker's benefit for those who claim it during that period. The reduction in the respite care grant is a callous blow to carers working on the front line with people who require constant help. These individuals perform a vital social duty and save the State money. However, they will be penalised as a result of this severe cut.

The budget is unfair, anti-women and counterproductive. Gone are the election promises made by both Fine Gael and the Labour Party. This budget is one of the most harsh I have seen during my time as a Member of the House. I am disappointed with its lack of fairness. I do not doubt that Labour Party and Fine Gael Deputies will talk to members of the press about internal pressures. The bottom line is, however, that real people are affected. It should be easy to make the decision to vote against the Bill. Those in government were elected by the people to represent their best interests. There is no evidence of that here. This is the Government's second budget, but it seems that the economy is actually regressing and that all election promises have

been truly and utterly broken.

Deputy Dara Murphy: Is Deputy Kirk the only person who has not witnessed the growth that is taking place?

Deputy Seamus Kirk: Carers play a vital role in supporting those who need constant help. The contribution of carers to the economy has almost doubled since the level of that contribution was estimated at €2.5 billion in 2006. Carers engage in some 900,000 hours of caring every day. In financial terms, this amounts to €77 million per week. The overall amount involved in this regard is equivalent to one third of the total annual cost of the HSE, namely, €13.3 billion. The Government has slashed a vital support payment to carers which covered discretionary expenditure. A respite care grant of €1,700 is paid every year, usually on the first Thursday in June, for each person in care. This is not taxable. The grant will now be cut by €325 - a 20% reduction - to €1,375 per annum in order to save €26 million. Some 1,438 carers and their families in County Louth will be directly affected and left hurting by this cut.

In the past, Fine Gael and the Labour Party both issued statements in respect of the cutting of carer's allowance. In the context of budget 2011, the former stated:

Fine Gael believes we should support carers. It makes sense that carers are supported in the work they do because they save the taxpayer money in the long run. If carers are not supported they will experience physical, financial and emotional hardship and eventual burnout.

In the context of the same budget, the Labour Party stated: "The Government clearly places no value on the contribution carers make to this country". It seems that the stance of Fine Gael and the Labour Party on the importance of carers to society has changed. Fianna Fáil will fight to protect these carers and we demand that the cut to the respite care grant be reversed.

On the cut to child benefit, the great philosopher Plato once said: "We can easily forgive a child who is afraid of the dark; the real tragedy of life is when men are afraid of the light." In my view, this quote describes the actions of the Government. The right decision would be to reverse the cut to child benefit, but the Government has decided that children will be the victims. I understand that cuts must be made but there must be a better way to proceed in order that children, our future leaders, will not be affected. Reports indicate that the Government will break its pre-election promises and bluster around in respect of children's rights - only weeks after a referendum on that same issue - by unfairly targeting families with a cut of €10 per month in the standard rate of child benefit. The programme for Government states "We will maintain social welfare rates," and the Minister, Deputy Burton, recently reiterated her commitment to protect core rates. The definition of the word "core" obviously has no real meaning for the Government, however, particularly if it is determined to hit child benefit, which is an essential payment for hundreds of thousands of families.

Fianna Fáil supported families and mothers when in government and increased child benefit from €53.96 for the first child and €71.11 for third and subsequent children to €166 and €203, respectively, in the period from 2000 to 2010. The majority of these gains were maintained when the State's finances came under greater budgetary pressure. Our child benefit schemes are in place to encourage and support families in having children. Child benefit is a special recognition of the costs of rearing children and the universality of the payment has helped to ensure that children have been lifted out of poverty. The children's charity Barnardos has described

the measures in the budget as “regressive, unfair and unsustainable” and stated that, despite the rhetoric on fairness from the Government, they disproportionately target low-income families. In the context of child benefit, the Labour Party document Labour’s Manifesto for Children states:

- Despite our current economic problems, Ireland remains a very expensive place to raise a child, and child benefit is the only recognition by the State of this high cost.

- Cutting child benefit will create poverty traps, work disincentives, and will substantially increase the already high number of children in poverty.

Deputy Robert Troy: Prior to the general election, many of the leading members of the parties now in government competed with each other in their negative descriptions of the economy. They knew full well the impact the global economic crisis was having on our island. Even with that knowledge, they proceeded to make election promises. It was on the basis of those promises and various other commitments that they received the mandate to which they refer so regularly. We know from what the Minister for Communications, Energy and Natural Resources, Deputy Rabbitte, stated in last Sunday night’s edition of “The Week in Politics” that this is what parties do at election time. No wonder the public have such a cynical view of all of us in here.

I could produce for the House a copy of an e-mail sent out by the then Fine Gael spokesperson on finance and current Minister for Finance, Deputy Noonan, in respect of the cuts contained in the budget introduced in December 2010. I could also show Members a copy of an advertisement taken out by the Labour Party prior to the general election. However, I do not wish to waste time discussing the manifestos produced by all political parties at previous elections. Unfortunately, most of the parties - including that which I represent - promised to cut too many taxes and spend less. The best way to reduce the social welfare budget is by creating opportunities for employment.

Deputy Jerry Buttimer: That is what we are doing.

Deputy Robert Troy: My colleague referred to the lack of reform and he is correct in that regard. The changes to PRSI for people who earn just over €18,500 will not do much to encourage those at the lower end of the spectrum to return to employment. The jobs strategy introduced by the Government just after it entered office proved to be a disaster. More people are unemployed now than in 2011. What has the Government done about the two highest overheads with which small businesses must contend, namely, rent and rates? The answer is nothing. This is another broken promise. Seventy percent of unemployed people would prefer to be working. They need our support to get back to work. I have been informed by experienced departmental officials based around the country that, at a conservative estimate, 10% of the departmental budget is affected by fraudulent claims. The Minister has targeted a reduction in fraud. The Minister should use the Croke Park agreement to redeploy public service staff to each social welfare office to support the good work of the Department’s fraud officials. She needs to be woman enough to impose strict penalties for blatantly fraudulent social welfare claims. A more rigorous assessment system would obviate the need for such brutal cuts.

This morning the Taoiseach sought to justify these callous cuts by reminding the House that the previous Government cut the blind pension. I acknowledge that was wrong. However, what this Government is doing now is morally wrong. What happened to the Labour Party’s

red line issue of the cuts in child benefit? On 10 December 2010, the Minister stated that child benefit had succeeded in lifting children out of poverty because there was no means test. Barnardos has described this budget as regressive, unfair, unsustainable and disproportionately targeted. What happened to the Labour Party standing up for the less well-off in society? The people who earn a couple of hundred thousand euro and who have a couple of children get the same as people with a couple of children who earn €10,000.

What about the carers? They are the only section of society who earn the money they are paid. They earn it because they have to undergo a rigorous assessment. Under the Minister's watch they wait eight months for payment. They must prove that they provide full-time care. They are saving this State €4 billion annually - a conservative figure. They are keeping people out of long-term care in nursing homes. They do it not for the €200 a week they receive, which we introduced, nor for the respite care grant, which we also introduced, but for love of the person for whom they care. Where is the Labour Party support for those people?

Acting Chairman (Deputy Jack Wall): The Deputy should conclude as he is well over time.

Deputy Robert Troy: Politics is about choices. There are alternatives. The choices we make say a lot about us as a society. Let us decide that we wish to protect the most vulnerable members of society. The Government should go after the people who are fraudulently claiming social welfare. It should increase taxation for those who can afford to pay it and cut child benefit for the people who do not wish to take it. Very wealthy individuals have said they do not need child benefit payments. The Government should cut it for those people but it should protect the people it is supposed to represent in this House.

Deputy Jerry Buttimer: I wish to share my time with Deputy Dara Murphy. I will allow him to speak first.

Acting Chairman (Deputy Jack Wall): Is that agreed? Agreed.

Deputy Dara Murphy: I know that speaking time is very limited. The previous speakers referred to choices. I compliment the Minister on her bravery and integrity for playing her part in bringing this economy and this country back to a point where we will balance our budget. There has been much talk from a Fianna Fáil Party that is licking its lips about our children who are the next generation. No one in this country or in this House should be in any doubt that the future of our country and of our children in particular is the motivation of this Government.

Deputy Robert Troy: The Government should just keep its promises.

Acting Chairman (Deputy Jack Wall): No interruptions, please, Deputy Troy.

Deputy Dara Murphy: Fianna Fáil was in government for 14 years. It had the option and the opportunity to make choices but it made none. Not one difficult choice was made and the people are now paying the price. I have no doubt that if Fianna Fáil was still in government, the people of Greece would look over to Ireland and say, "At least we are not as bad as the Fianna Fáil-led Ireland". Fianna Fáil is a bankrupt party, bankrupt of ideas. The one fact that unites Fine Gael and Labour Party backbenchers, that drives us back together and that will drive this Government forward-----

Deputy Robert Troy: Holding on to the reins of power.

Deputy Dara Murphy: -----is the certain knowledge that this country must be protected from Fianna Fáil's incompetence and from the way it has driven the country to this point. We will not be diverted, diluted or discouraged by Fianna Fáil. Its members have the neck to come into this Parliament and speak as if they had no blood on their hands for the state of the country. They are a disgrace. I cannot imagine they can look at themselves in the mirror.

Acting Chairman (Deputy Jack Wall): Deputy Buttimer has 18 minutes in his time slot.

Deputy Jerry Buttimer: I congratulate the Minister on the publication of the Social Welfare Bill, for the provision of 10,000 new places on employment programmes and for the maintenance of core social welfare benefits for those who need them. This Government will spend €22 billion on social protection. It went to Europe to achieve an increase in the expenditure ceiling. The hypocrisy of the Members opposite astonishes me. For 14 years, they bankrupted our country. They led our people a merry dance and they stole the dreams and the hopes of a generation. It once again falls to a Fine Gael-Labour Party Government to rescue the country. They have some audacity-----

Deputy Robert Troy: I hope ye do a better job than ye did in 1982 to 1987.

Acting Chairman (Deputy Jack Wall): Please address the Chair, Deputy Troy.

Deputy Jerry Buttimer: -----to speak after what they have done. I hope their callous attitude to the Irish people will never be forgotten. The party opposite fiddled and bankrupted the country. Now, they prey on the fears of vulnerable people in a mockeyah way. Shame on them. This budget is difficult and it will, unfortunately, affect every household and every citizen. None of us on this side of the House wants a budget that has to take €3.1 billion out of the economy and which results in people losing money. However, this nation is borrowing €42 million per day in order to run the country, to fund public services. I remind the Members opposite that we are in an EU-IMF programme. It was the former Government which went to Brussels to get that bailout because we could not access money to run the country. The gentlemen opposite may have forgotten that. I wonder what world the Leader of the Opposition lives in when I hear his complaints on the Order of Business. He was the man who sat in Cabinet and who acquiesced in decisions. He was the man who cut pensions for the old, the blind and the disabled, by €16.50 per week, when he was a member of the Cabinet. Not one Member opposite voted against those cuts. They come in today, tonight and tomorrow, with sham indignation. They threaten to call for a vote through the lobbies to embarrass people. The embarrassment is in their own laps because of what happened on their watch. They failed the Irish people, politically, economically and socially.

Debate adjourned.

Confidence in the Government: Motion (Resumed) [Private Members]

The following motion was moved on Tuesday, 11 December 2012:

That Dáil Éireann has no confidence in the Fine Gael and Labour coalition Government which has failed to fulfil its obligations to make political decisions and choices which benefit the citizens of this State.

12 December 2012

- (Deputy Pearse Doherty).

Debate resumed on amendment No. 1:

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

“has confidence in the Government as it deals with the current economic crisis in as fair a manner as possible, while prioritising economic recovery and job creation.”

- (Minister for Public Expenditure and Reform).

Deputy Seamus Healy: I wish to share my time with Deputies Catherine Murphy, Luke Flanagan, Shane Ross and Mattie McGrath.

The Labour Party has absolutely no mandate for the policies it is pursuing - policies which make a blunt and brutal assault on middle and lower income families, children, the elderly, social welfare recipients and the working poor. On taking office last year there was a deliberate, shocking and cynical U-turn by the Labour Party. One should remember that it was to be “Labour’s way or Frankfurt’s way”, that the poor and vulnerable were to be protected and the banks were not to receive another cent. What we have now is a savage assault on low and middle income families. This brings shame on the Labour Party.

The trade union movement, particularly the unions affiliated to the Labour Party, has a responsibility to stand up to the party and the policies it is pursuing. The unions must take responsibility because the ability of the Labour Party to pretend it represents the interests of workers is being supported by them. They must disaffiliate immediately from the Labour Party and start creating a new party of labour, as occurred in Clonmel in 1912 when James Connolly and Jim Larkin established the Labour Party. Unfortunately, that party has now turned its back on its founders, members and the general public. The leaders of the trade unions, including the bigger unions and those affiliated to the Labour Party, must take responsibility for this. They must disaffiliate from the party and start creating a new party of labour. If they do not do so, they will be as much responsible for the attacks on their members and the public as the Labour Party. They should do so immediately.

Deputy Catherine Murphy: The benchmark against which the Government will be measured is what it committed to prior to the general election. It will also be benchmarked against three big issues, namely, debt, job creation and reform. The very fact that a figure of €8.1 billion is included in the budget to service the national debt is testament to the failure to negotiate a reduction or writing-off of some of the debt we should never have been responsible for assuming. Let me put this in context. When the Maastricht treaty was negotiated - I believe Mr. Albert Reynolds was Taoiseach at the time - the negotiators came back with £7.2 billion that was to transform the country. It was to be paid over five years. We are paying €8.1 billion next year in interest alone on the national debt. This obviously reduces the prospects for stimulating the economy and creating jobs. We have no strategic investment bank and the five point plan seems to have disappeared.

With regard to reform, there was an expectation that the political and public service systems would be radically reformed. I acknowledge that reform takes time, but under the Government, we have seen a series of box ticking exercises and minor changes that just tinker at the edges. It is not what the people bought into. If the Government is to continue what it is doing and does not do what it was elected to do, it should go.

Deputy Luke ‘Ming’ Flanagan: At this stage even the Christians do not believe we should have confidence in the Government. I am not a Christian - I am agnostic - but I understand Fine Gael is meant to be a Christian democratic party. I received a letter from a priest today. It includes a sermon in which reference is made to the “wilderness” carers have been in since the last budget. The priest asked me to represent their cause in any way I could. The sermon states:

A Voice Cries in the Wilderness. Second Sunday of Advent.

There are many forms of wilderness. There is the personal and also the communal:

The wilderness of doubt, uncertainty, fear, breakdown, break-up, sickness, illness, unemployment, recession, debt, bereavement, enforced emigration ... the list is endless. The Church also has experienced a wilderness over the past number of years.

It could be said that Europe is in a financial wilderness ... and that Ireland is also swamped by this wilderness and the debt crisis that overshadows us all as a nation.

The Budget last Wednesday has generated a lot of comment. We all are aware of the challenging task that the Government has in reducing the spiralling national debt. We are also aware of the solemn pre-election promises that they made NOT to remove any grant or respite allowance that carers relied on.

One has to ask was this a promise made to dupe carers for a cynical grab for power?

I want to link the Advent theme of spiritual wilderness with various conversations I had on my First Friday Communion Calls - where I met people in long-term care and their carers who feel let down, dismissed and betrayed by the cut in the respite care grant.

Anyone who is sick or ill is vulnerable. They require the very best of care - not as a handout - but by right. The respite grant enabled both the cared for and the carer to literally have some respite from the constant demands that a carer’s job entails. [...]

This cut is unfair, unjust and unpatriotic.

This letter is from a Christian, which the Members opposite claim to be. They do not sound very Christian any more, do they?

Deputy Shane Ross: If we had an audience here of the great powers of Europe - the Central Bank, the IMF, European banks and Irish bankers - perhaps the motion of confidence might be passed. There are those who applaud the Government and those great outside powers to whose tune the Government is dancing. Ms Merkel salivates every time the Taoiseach arrives in Berlin with a bouquet of roses. He goes as a puppet to dance to her tune. The Central Bank is very happy and the Department of Finance is delighted with the Minister for Finance, as we can see. The IMF and others that have lent us money are also pleased. It is very difficult, however, to say the Government has acted in the interests of the people of Ireland rather than those of external forces. That is the main problem I have with the direction in which it is moving. It is external forces that are driving the Irish economy and wagon.

The Government is not different from its predecessor. The Government which so obviously promised to differ from Fianna Fáil is, however, different in certain respects. It has certainly done fewer things that are so obviously corrupt, unethical and unacceptable and a more honest appearance, but its economic performance is as bad, if not worse, because it had other options

and refused to take them. I will vote to express no confidence in the Government because it has refused to differentiate itself from the economics of Fianna Fáil and the Green Party.

Deputy Mattie McGrath: I, too, welcome the Taoiseach to the debate and want to take up where Deputy Shane Ross left off. He said the Government had options. Of course it did but, worse, it made so many promises. On entering office, the Taoiseach, the Tánaiste and all of their colleagues, including the Ministers of State at the Departments of Finance and Health, Deputies Brian Hayes and Alex White, respectively, had the relevant books and papers, knew the state the country was in and did not have to promise anything. The last Government was to be banished from office because of grievous mistakes. The Taoiseach may laugh if he likes - *bí ag gáire* - but, like me, the public are tired. I put him on notice that the public are tired of his shenanigans in Brussels. They are tired of his trips and the “Heil Hitler”. He is bound to Angela and giving her a kiss on the lips or fingers. The public are tired of this. What the Taoiseach needs to grow is a pair of you-know-what and tell Angela that we are a sovereign people, that we are in trouble and will not take any more of this penury and misery. The Taoiseach is an honourable man-----

The Taoiseach: It is Angela, with a hard “g”.

Deputy Mattie McGrath: I would say “Angera” is the right word. I do not know whether the Taoiseach talks in Irish, English or Latin to her, but when I hear that parish priests are writing to Deputy Luke ‘Ming’ Flanagan, it is time for the Taoiseach and his colleagues to wake up and smell the coffee. They should get out of town because the public are coming for them in droves. I wish the Taoiseach well; as he knows, I do not bear him any ill will. However, he should look behind him; his colleagues are not safe either. They are not saying in public what they are saying to him in private. Therefore, *bí cúramach*, make haste slowly. The next election is coming.

Acting Chairman (Deputy Liam Twomey): I call the Taoiseach who I understand is sharing time with the Tánaiste, Deputy Eamon Gilmore; Deputy Paschal Donohoe; and the Ministers of State, Deputies Brian Hayes and Alex White. Is that correct?

The Taoiseach: That is correct.

I welcome the opportunity to come to the House to defend the Government’s record against this ill-founded and nonsensical motion. The motion, tabled by Sinn Féin, represents nothing more than a politically opportunistic act by a party that has nothing to offer in the national debate, except easy options and damaging policies. Sinn Féin’s pre-budget submission was a con-job to avoid answering the most basic of questions about how it would manage the economy. It admits its wealth tax proposal was not costed by the Department of Finance and, incredibly, claimed that it would raise €800 million. The truth is that its policies would tax the country back into recession. Furthermore, the Government will not accept lectures from a hypocritical party which implements tax increases and spending cuts north of the Border, while opposing every such similar policy down here.

The truth is that the Government has been very hard at work clearing the economic wreckage left by the former Fianna Fáil Administration which left the country with a humiliating IMF bailout programme, massive bank debts saddled on the taxpayer, record numbers of Irish people unemployed and the highest deficit in Europe. That was its legacy and record. The current leader of the party opposite who sat in the Cabinet throughout all of those ruinous years chooses

to come into the House to criticise the work and record of the Government in sorting out the problem. The date 9 March 2011 marked a fresh start for the country. The 12 months previous to that date were rocked by instability and crisis of leadership, while the country continued to sleepwalk deeper into crisis. Fast forward to today and the country, while still in a very challenging position with a fragile economy, is on a solid path towards recovery. We have made a start in tackling the country's problems and in getting Ireland working again.

Our first priority in government was to restore economic, financial and political stability and rebuild the international reputation of the country, in which every Minister, including the Tánaiste and everybody else, has played his or her part. Central to this was the commitment to deliver on our promise to engage constructively with the troika to re-engineer aspects of the bailout programme to give Ireland the best chance of emerging from the programme in 2013. Despite the constant wave of negativity from some of the parties opposite and other quarters that said it could not be done and that the Government was failing to secure agreement, we delivered on serious aspects of our promises. We secured agreement on reducing Ireland's programme loan interest rates and extending loan maturities which cut the cost of the IMF-EU bailout loans by more than €9 billion. We also secured agreement on the restoration of the minimum wage. We further secured agreement on keeping a large portion of the proceeds from the sale of State assets. We have secured agreement, in principle, to break the link between bank debt and sovereign debt.

I recognise that the burden on taxpayers is still very onerous. I will travel to Brussels tomorrow to continue the discussions on the framework for a single European bank regulator. Separately, Irish officials continue to work with the European institutions on a solution to the promissory note issue. I am hopeful progress will be made in the coming weeks and months as we continue to work to make Ireland's recovery stronger and more sustainable.

The focus of the Government is and has to be on providing more jobs. I do not accept that we have to be saddled indefinitely with current high rates of unemployment, slow growth and a squeeze on disposable incomes. These are neither inevitable nor tolerable. Our ambition is to move beyond the level of progress achieved to date and tackle these key issues head on. For this reason, we have deliberately focused on job creation and are committed to ensuring our policies support strong and sustainable employment growth into the future. We are committed to adding 100,000 jobs to the economy by 2016 and have 2 million people in employment by 2020. To achieve this, as I have said on many occasions, I want Ireland to be recognised as the best small country in the world in which to do business by 2016.

In our first 100 days in office we introduced the jobs initiative, with a range of tax supports to help job intensive industries such as the tourism and hospitality sectors, in which employment has grown in the past year. The 2012 budget had a real focus on encouraging the foreign direct investment sector to expand further in Ireland and help Irish companies to expand further abroad. Throughout the course of the year we have had a series of major investment and jobs announcements by both indigenous and foreign companies, including the Kerry Group, Paypal, Apple, Mylan, Voxpro, Paddy Power, EA Games, Arvato Finance and so on. Last year saw exports reach new heights, with a record figure of €173 billion, 10% higher than in 2007, the highest pre-crisis figure. A good export performance is expected again this year and nobody can deny the importance of this. Earlier this year we launched the comprehensive and detailed Action Plan for Jobs. The plan is about taking incremental and necessary action right across government to support enterprises to grow and create and retain jobs. In tandem with this, we launched the Pathways to Work scheme which represents a complete restructuring and funda-

mental reform of welfare services and the way we support jobseekers and treat them as individuals who can make a real contribution to a company, not just as statistics.

We have looked to maximise private investment in much needed infrastructure. Last year we announced the establishment of NewERA and a strategic investment fund. To improve the availability of credit for business, the credit guarantee scheme commenced in October this year. Initially, the scheme will facilitate the provision of up to €150 million in additional lending per annum for SMEs, in addition to the lending targets set for the pillar banks. A microfinance scheme also opened for business in October. While unemployment is still unacceptably high and its effects are felt far too wide, the most recent quarterly figures show that the position on employment has stabilised. The pro-job measures included in the budget last week were aimed at building on these first steps to encourage greater job creation and investment. People should be aware that in the three years prior to the Government taking office 250,000 jobs had been lost in the private sector in Ireland and that 20,000 new private sector jobs have been created in the past 12 months. The package of initiatives included in the budget announced last week aimed specifically and without apology at the small and medium enterprise sector hold real possibilities for job expansion in the future. The budget is a building block in the transition from the old failed economic plan based on property speculation and debt to a new competitive economy for the future.

Fixing the national finances and putting them back on a sound footing is a prerequisite for job creation and economic growth. I make no apology for supporting the vital need to reduce the national deficit to more sustainable levels. To this end, we are fully committed to meeting the 2013 deficit ceiling of 7.5% of GDP and reducing it to below 3% by 2015. This is not an easy budget for Ireland or its people. We never said the mandate given to us or the responsibility taken on by the Government would be easy or that we had turned a corner, seen green shoots and so on. We always said this would be the most challenging budget in the lifetime of the Administration and that the Government had taken on an unprecedentedly difficult task in accepting the mandate of the people to sort out the country's problems. We inherited an Ireland in a bailout programme, shut off from the international funding markets and reliant on funding support from our international partners. Today we are in a position where we have begun to borrow in international markets again and the interest rate on ten-year Irish bonds is down to 4.6% compared to a rate of more than 15% last year. The banks and utilities are able to access the markets once again for funding for investment and we remain on course to exit from the programme successfully in 2013.

I appreciate the patience, co-operation and sacrifice of the people as we make these tough decisions in the interests of the country and all the people. Where changes have been introduced in the past two years, we can see the benefit, with the changes beginning to produce real results in job creation and investment. The Fianna Fáil Party, now absent from the Chamber, implemented across the board cuts to basic core welfare rates for carers and the blind. It signed up for a property tax when in government, only to state it does not want it now.

Sinn Féin, a party with uncoded economic plans, would tax the country back deep into recession, while trying to reconcile its severe split personality problem as it continues to implement cuts and increased property taxes north of the Border. How hypocritical of speaker after speaker to say that. Notwithstanding these facts, the Government stands on its own record.

Deputy Mattie McGrath: Where is the Labour Party?

Deputy Paul Kehoe: Take it easy, Mattie.

The Taoiseach: Every day I speak to people who understand tough decisions must be made in these difficult economic circumstances.

Deputy Mattie McGrath: Will the Labour Party be here at 9 p.m.?

The Taoiseach: They ask us to keep on this path in as fair and equitable a way as we can. We will get the country back to work, emerge from the bailout programme, restore our economic sovereignty and offer hope, inspiration, comfort and motivation to the people by creating wealth and job opportunities in the time ahead.

Deputy Mattie McGrath: And peace and quiet.

Tánaiste and Minister for Foreign Affairs and Trade (Deputy Eamon Gilmore): The Government was elected to resolve the deep crisis inflicted on the country. This is a crisis with its roots in the greed and recklessness of the banks and the developer class, as well as the irresponsibility and political opportunism of the party opposite that they supported. For too many of the people, the crisis is about surviving. It is about surviving the loss of a job, with a business intact, providing for their children, keeping their home and keeping going. What they really want to know - the question they ask of every Member - is what we are doing to fix the problem.

Deputy Martin Ferris: That is what we are asking the Tánaiste tonight.

Deputy Eamon Gilmore: What are we doing by our actions to leave the country in a better position than we found it? That is what every single Member was elected to do, not to exploit the problem but to fix it. The motion tabled by Sinn Féin is about exploiting the problem. It is not an attempt to be constructive or about offering an alternative approach. It is sheer political opportunism, which is nothing new for Sinn Féin.

Deputy Aengus Ó Snodaigh: Ask Deputy Pat Rabbitte about opportunism.

Deputy Eamon Gilmore: Only three weeks ago, out of the blue, it had a sudden conversion to legislating for the judgment in the X case because a tragic case had pushed it to the top of the news.

Deputy Aengus Ó Snodaigh: We made our case then.

Acting Chairman (Deputy Liam Twomey): Please, let the Tánaiste continue.

Deputy Eamon Gilmore: Yet when the report of the expert group on the ABC judgment was published, a report which outlines the options to achieve a clearer, safer legal framework for pregnant women, Sinn Féin Deputies were nowhere to be found.

Deputy Aengus Ó Snodaigh: We had already made our case.

Deputy Mary Lou McDonald: The Tánaiste did not do anything.

Deputy Eamon Gilmore: Only three Sinn Féin Members bothered to speak on the report in the House. Then they asked for the time allocated to that debate to be cut short. It seems that party's passion only lasts as long as the next news cycle. There is no interest in solutions, just soundbites.

Deputy Aengus Ó Snodaigh: That is a bit rich coming from the expert on soundbites.

Deputy Eamon Gilmore: The Government was elected by the people on a single promise and with a single purpose - to solve the crisis and to do so in a way that was fair and balanced.

Deputy Dessie Ellis: Is this Frankfurt talking?

Deputy Mattie McGrath: The Labour Party made a hundred promises at the last general election.

Deputy Eamon Gilmore: Unlike others, the parties in the government have not promised fairy-tale solutions to the complex problems the country faces. This is a three-pronged crisis - there is a banking crisis, a fiscal crisis and an unemployment crisis. We have to tackle all three and do not have the luxury of picking and choosing our fights.

Deputy Mattie McGrath: The Labour Party got away with it.

Deputy Eamon Gilmore: The Labour Party went to the people and entered government with the same mandate.

Deputy Mattie McGrath: Labour's way or Frankfurt's way.

(Interruptions).

Deputy Dinny McGinley: Deputy Mattie McGrath is just a loudmouth.

Deputy Mattie McGrath: Labour's way or Frankfurt's way.

(Interruptions).

Deputy Eamon Gilmore: We promised to fix the banks at the lowest possible cost and are doing so.

Deputy Mattie McGrath: Labour's way or Frankfurt's way.

Deputies: Be quiet.

(Interruptions).

Deputy Dinny McGinley: Deputy Mattie McGrath, will you keep your mouth shut?

Deputy Ciara Conway: If he would just keep quiet, he might learn something.

Deputy Dinny McGinley: He is a serial interrupter.

Acting Chairman (Deputy Liam Twomey): Please, Deputies.

Deputy Eamon Gilmore: The people who sent us here expect us to be serious. If there are Members who want to act the clown, let them go off and act it somewhere else.

Deputy Mattie McGrath: Economic treason.

Deputy Eamon Gilmore: There is no one solution, such as defaulting on our debts, which would only rebound on our children and their children. There is no one tax that someone else always pays that will make our problems go away. Instead, the Labour Party was honest with

the people. We said it would be difficult and that every single person would have to play his or her part and that every aspect of public spending would be on the table.

Deputy Mattie McGrath: Tell the people that.

Deputy Aengus Ó Snodaigh: Like cutting child benefit.

Deputy Eamon Gilmore: Those who can afford to bear a greater share of the burden will do so. In this and the last budget it was the Government's priority to protect the incomes of low and middle income households, while also making the necessary decisions to continue fixing the public finances, as well as helping to encourage job creation. Yes, we have had to cut expenditure and there is no easy way to do this. Between them, the areas of social welfare, health and education account for 80% of Government spending. It is simply wrong to pretend they can be sheltered from all cuts.

The approach of the Government has been realistic and fair. The social protection budget accounts for 40% of public spending, but it only accounts for 10% of the €3.5 billion adjustment. We have protected the most important payments for those who depend on social welfare.

Deputy Mattie McGrath: What about carers?

Deputy Aengus Ó Snodaigh: Like cutting child benefit.

Deputy Eamon Gilmore: Their weekly rates are unchanged. We found the money to reduce the amount asked for from the Departments of Health and Social Protection by €150 million each. We have protected class sizes for primary schools, special needs and disadvantaged schools, protected household benefits for older people and, as far as possible, the aid we give to the world's poorest people. We have restored the budget for home helps and home care packages. We have reinvested €30 million in 6,000 child care places for low income parents, school meals, tackling child poverty in the most deprived communities and 10,000 extra training places for people out of work.

Deputy Aengus Ó Snodaigh: The Government took it out of their pockets.

Deputy Mattie McGrath: This is a farce.

Deputy Eamon Gilmore: We have done so in a way which raises more than €500 million from the assets and income of the highest earners, wealth that is not captured by the PAYE system, into which the majority of people pay, such as large pension pots, multiple properties, rental income, share dividends, the buying and selling of assets or private income streams.

Deputy Mattie McGrath: And the sale of VEC sites.

Deputy Eamon Gilmore: That is a €500 million contribution from real wealth that has up to now been lightly taxed, if at all. Unlike the Deputies opposite, members of the Government actually want to solve the problem.

Deputy Aengus Ó Snodaigh: The Government is making it worse.

Deputy Eamon Gilmore: We do not pull magic figures out of thin air like Sinn Féin and its pretend wealth tax that excludes pension pots, family mansions, farms and whatever else might lose the party votes.

Deputy Peadar Tóibín: Has the Government even tried to introduce a wealth tax?

Deputy Eamon Gilmore: Even Deputy Pearse Doherty has admitted he cannot say how much such a tax would raise. Sinn Féin's tax proposals have more holes than its leader's biography.

(Interruptions).

Deputy Eamon Gilmore: As for Fianna Fáil, its approach to the budget has been a *tour de force* of cynicism. When the country was high on receipts from a property bubble that was rapidly overheating-----

Deputy Aengus Ó Snodaigh: The Tánaiste is overheating.

Deputy Eamon Gilmore: -----it was all down to Fianna Fáil's economic genius. When that bubble burst, taking the banks and the economy down with it, it was all the fault of Lehman Brothers.

Deputy Mattie McGrath: The parties opposite wanted greater spending at the time.

Deputy Eamon Gilmore: Now Fianna Fáil is in opposition, it is the fault of the Government elected to clean up its mess.

Deputy Mattie McGrath: The parties opposite wanted more.

Deputy Eamon Gilmore: In Fianna Fáil's scramble to distance itself from promises it had made to the troika such as a property tax, it has left the last scraps of its dignity behind, exposing the full breadth of its naked self-interest. The Government - every one of the Members who sit on these benches - is in this fight for a reason. We are moving forward, day by day, taking the steps that will stabilise the finances, get the economy moving, businesses hiring and us out of the bailout programme. The alternative proposed would have us moving backwards. We are taking the decisions that will stop the Exchequer haemorrhaging money. The parties opposite are bottling it. We are laying the foundations for a recovery that will last. The parties opposite are playing a short-term political game.

Deputy Mary Lou McDonald: The Government is punishing carers and women. Well done, Tánaiste.

Deputy Eamon Gilmore: In the past 20 months the Government has made significant progress.

Deputy Aengus Ó Snodaigh: Backwards.

Deputy Eamon Gilmore: It has stopped the rot in the banks and got credit moving again, with new initiatives, where necessary. It has restored our international reputation with foreign investors and jobs are returning.

Deputy Dessie Ellis: While people are suffering.

Deputy Peadar Tóibín: While they are emigrating.

Deputy Eamon Gilmore: Exports are growing again. We are turning our energies to helping people get off the dole and into jobs, to gain work experience or take up training. A stimulus

package focused on job creation, health and education has been introduced. We are taking a balanced approach to spending, while protecting those who need it most and getting more from public services.

Deputy Mattie McGrath: For God's sake, this is propaganda.

Deputy Eamon Gilmore: We know the sharp end of the crisis is being felt every day in households in every town, village and suburb. We will not exaggerate our achievements, but the end is in sight. We will win this fight and say goodbye to the troika at the end of next year.

Deputy Mattie McGrath: The Government will be saying "How high?" to the troika then.

Deputy Aengus Ó Snodaigh: *Auf wiedersehen.*

Deputy Eamon Gilmore: When the economy is sound and healthy, and more jobs and opportunities are being created, it will be the men and women of the Government alone who will be able to say we stood shoulder to shoulder with the people at the country's darkest hour.

Deputy Pearse Doherty: How dare the Tánaiste say that? I did not see him standing shoulder to shoulder with carers outside Leinster House yesterday.

Deputy Eamon Gilmore: We will be able to say we did not falter because the task was too hard.

Acting Chairman (Deputy Liam Twomey): Deputy Pearse Doherty, please sit down.

(Interruptions).

Acting Chairman (Deputy Liam Twomey): Order, please.

Deputy Mattie McGrath: The Tánaiste is making a mockery of the people.

Deputy Pearse Doherty: How dare the Tánaiste say that? He did not stand shoulder to shoulder with carers or those who lost child benefit.

Deputy Eamon Gilmore: The country has had enough of bullying tactics from Sinn Féin, and we are not going to listen to their fairy-tale economics on top of that. The Government is solving the country's economic problems. We are going to continue with that mandate and we are not going stop it.

8 o'clock

Deputy Martin Ferris: Go back to the people, then.

Deputy Pearse Doherty: The Government is cutting child benefit.

(Interruptions).

Acting Chairman (Deputy Liam Twomey): Can I ask all Deputies to show respect? Deputy Byrne and Deputy Ferris, please.

Deputy Eric Byrne: A little less of Sinn Féin's histrionics.

(Interruptions).

Acting Chairman (Deputy Liam Twomey): Deputy Ferris and Deputy Byrne, please show some respect to each other, if not to the House, and let the speakers make their speeches properly. Deputy Paschal Donohoe has three minutes.

(Interruptions).

Deputy Paschal Donohoe: The Sinn Féin general election manifesto simply states that Sinn Féin is committed to no further drawing down of the EU-IMF loan. It goes on to say that for the remainder of 2011 resources from the National Pensions Reserve Fund and Exchequer funding from the Central Bank should be used to run the State. This is very simple. Having campaigned on a platform of telling the troika to go home, those in Sinn Féin would now come in here and happily troop up to meet them every 12 weeks.

Deputy Aengus Ó Snodaigh: What is he talking about?

Deputy Paschal Donohoe: Their performance in the 31st Dáil has been an exercise in studied and deliberate cynicism. Their agenda is simple: to replace another party as Leader of the Opposition.

Deputy Dessie Ellis: Fine Gael has done that. It is all right.

Deputy Paschal Donohoe: Their view is that nothing can be allowed to get in the way of this, not even the truth. The truth is perfectly simple: our country, due to the efforts of our people, is slowly but steadily fighting our way out of bankruptcy. The people are faced with choices that are neither of their making nor of the making of this Government. The truth is that Sinn Féin has taken the mantle of Fianna Fáil. That party, whose members are absent this evening, proudly proclaimed when in government that when it had money it would spend it. We still do not have the money but those in Sinn Féin still want to spend it.

Deputy Peadar Tóibín: The Government is spending it on bailing out the banks.

Deputy Paschal Donohoe: Their explanation of where this money is coming from shows the real depths of their cynicism. As the Government works to stabilise our banks and get deposits back in order that they can be lent out to Irish businesses and families, Sinn Féin wants to impose a wealth tax on them. Such a wealth tax would get the same deposits to move out of the country, further weakening the banks and condemning our people to another cycle of bank runs and bank bailouts.

Deputy Dessie Ellis: It would go to other parts of Europe.

Deputy Paschal Donohoe: We need not pore over the leaflets printed by Deputy Ó Snodaigh to see what Sinn Féin does in Ireland, because its role in the Northern Ireland Assembly already makes it clear. It is implementing a property tax up there while it opposes one here.

Deputy Mary Lou McDonald: They are rates.

Deputy Paschal Donohoe: I was aware that Sinn Féin was advocating a two-state solution for the Middle East but I did not realise it was advocating the same solution for our economic crisis here. It is a case of partition when it suits Sinn Féin.

Deputies: Hear, hear.

Deputy Paschal Donohoe: Due to the solidarity and support of the people, the Government

has succeeded in creating an environment in which growth can return. There are some signs of stability, lower borrowing and jobs being created after years of job losses.

Deputy Peadar Tóibín: There are lower wages too.

Deputy Paschal Donohoe: As Sinn Féin is consumed by getting its numbers up in the opinion polls, we are driven by getting the numbers down on the live register and down on our monthly borrowing needs.

Deputy Martin Ferris: That is due to emigration.

Deputy Paschal Donohoe: The Sinn Féin finance spokesperson said: “[I]t is my firm belief that in the second half of 2013 Ireland will be unable to return to the markets and will need additional financial intervention by the EU and IMF.” We are back in the markets now. This is typical of the gospel of despair and the Sinn Féin agenda of anger. It is an indictment of all it stands for that when our country is back at work and when we wave goodbye to the troika, the only people that will still be disappointed and angry will be those in be Sinn Féin.

Deputies: Hear, hear.

Minister of State at the Department of Finance (Deputy Brian Hayes): I am pleased to have the opportunity to make some remarks. What is absolutely clear in this debate is that those in the Sinn Féin Party would say anything, do anything and lie about anything as a means of taking control in Ireland.

Deputy Dessie Ellis: He should ask the Minister, Deputy Pat Rabbitte, about that.

Deputy Peadar Tóibín: What about the Labour Party manifesto?

Deputy Brian Hayes: I did not interrupt the Deputy yesterday. I notice that every time the Taoiseach and the Tánaiste inform the House of a jobs announcement on a Wednesday or a Thursday and every time they give the House information which is important for the people, the heads drop across the floor because they do not want to hear the good news.

A Deputy: Hear, hear.

Deputy Brian Hayes: Sinn Féin’s tactic has always been to maximise its own political ends, as we know well from Northern Ireland. Those in Sinn Féin have no interest in the future or in getting the country back to work because it does not suit their political agenda. The Sinn Féin tactic has been exposed, particularly in its most recent pre-budget submission. Only two weeks ago Deputy McDonald and I debated on national television. It was clear that she did not know the Sinn Féin pre-budget submission, but I do not blame her for that because it changes every 12 hours. The Sinn Féin position changed suddenly. After the election Deputy Doherty said they would get rid of the universal social charge. As Deputy Donohoe reminded the House recently, the first motion in the House from Sinn Féin sought to get rid of it. Where stands the Sinn Féin commitment on that now?

Deputy Pearse Doherty: Some 286,000 people would get out of the universal social charge under our pre-budget submission.

Acting Chairman (Deputy Liam Twomey): No interruptions, please. Deputy Brian Hayes.

Deputy Brian Hayes: I see the angry young man is back with us. The same decibels will

not work.

Acting Chairman (Deputy Liam Twomey): Minister, please.

Deputy Brian Hayes: It is fascinating. When one examines all of Sinn Féin's promises on VAT, the universal social charge and, as the Tánaiste noted, on wealth, the numbers do not add up. The Sinn Féin objective of getting €800 million from a wealth tax was based on a reply to one parliamentary question from the Department of Finance. That is brilliant. If ever there was an example of North Korean economics and a go-it-alone approach, it was from our colleagues opposite.

(Interruptions).

Deputy Brian Hayes: There is a good deal of similarity between the United Kingdom Independence Party in Britain and Sinn Féin. Sinn Féin and the UKIP are both anti-European parties, both ultra-nationalist parties and they both want their countries to fail.

Deputy Peadar Tóibín: So says the Fine Gael Tory boy.

Deputy Brian Hayes: The most recent antics of Sinn Féin's pre-budget submission and the antics with regard to the motion in the House this evening have shown that they have nothing to offer the people and they have been badly exposed.

Acting Chairman (Deputy Liam Twomey): I call the Minister of State at the Department of Health, Deputy Alex White. There are only three minutes left in the slot.

Minister of State at the Department of Health (Deputy Alex White): There has been much talk about choice in this debate. It is true that there are some limited choices because of the constraints the Government and the State are facing, but there are choices nevertheless.

Deputy Gerry Adams: Ask Deputy Róisín Shortall about that.

Deputy Alex White: The motion is premised on the notion that there is an altogether different way of addressing the crisis we are in and that a grand plan is available, a better plan with an alternative strategy, which, if the Government would only yield to it, would solve all our problems. That is a manifest falsehood. No other combination of parties or Deputies in this House has advanced such a plan. No other combination of parties or Deputies in the House could form a credible government or a government that could even begin to address the problems faced by the people in anything like a fair and balanced way, as we are doing. One need only look around. What other combination of Deputies could achieve a majority in this House? Certainly, no government involving the Fianna Fáil party could command even the minimum level of support or respect from the people, given what it is responsible for. As for those in the Sinn Féin party that tabled the motion, they are perpetrating a fraud on the people. To demonstrate this one need only take a cursory glance at their submission. I am referring directly to their submission; it is not an idle attack from anywhere. They have chalked down €800 million in revenue from a wealth tax, a tax that excludes working farms expressly and not by implication. Can they define working farms?

Deputy Michael Healy-Rae: It is not rocket science.

Deputy Alex White: It refers to business assets. Does that include all such assets? It refers to pension pots. Does that include all pension pots? Up to 20% of the family home is also left

out. What remains? What would Sinn Féin tax to get a revenue of €800 million from this so-called wealth tax? Who is it fooling?

By the way, we will be discussing the property tax on Friday. We now know that Sinn Féin is in favour of taxing 80% of the family home. That was the balance, last time I looked, between 20% and 100%. Now it would appear Sinn Féin is 80% in favour of a property tax.

It is utterly false to suggest we have not protected the weak in this difficult budget. That is precisely what we have done. It is false to say that we have not taxed wealth or that the wealthy elite have escaped, as Deputy Ó Caoláin was suggesting earlier, although that was a point lost on Deputy Pádraig Mac Lochlainn last night. He announced to the Dáil that his party was opposed to the DIRT proposals contained in the budget measures and that it would vote against them. Check the record.

Deputy Brian Hayes: That is a tax on wealth.

Deputy Alex White: He relented some minutes later, presumably out of sheer embarrassment, having heard Deputy Fleming praise the measure as “taxation on people with large amounts of money sitting in the bank”. It then dawned on the Sinn Féin party that this was perhaps a measure taxing wealth.

I accept that the Labour Party has not been able to do everything it advocated in the manifesto it put to the Irish people. We obtained 19% of the vote and had 37 Deputies elected. It was not realistic for us to form a Labour Party Government. No party was in a position to form a Government on that occasion.

Deputy Mattie McGrath: Labour’s way or Frankfurt’s way.

Deputy Alex White: There had to be compromise and there has been. I have no doubt there were difficult negotiations leading up to this budget. The people of Ireland expect the parties in Government to work together in a coherent way.

Deputy Dessie Ellis: They expect honesty.

Deputy Alex White: Who is up or down and which policy was or was not implemented is not important. This is about the serious business of government. Fine Gael and the Labour Party is the only combination of parties that can deliver that.

Deputies: Hear, hear.

Acting Chairman (Deputy Liam Twomey): The next speaker is Deputy Mary Lou McDonald, who I understand is sharing time with Deputies O’Brien, Tóibín and Stanley. Deputy McDonald has ten minutes, Deputies O’Brien and Tóibín have five minutes and Deputy Stanley has ten minutes.

Deputy Mary Lou McDonald: On the first day this Dáil met we were urged by two young first-time Government Deputies to hang out our brightest colours to welcome the election of Deputy Kenny and Deputy Gilmore as Taoiseach and Tánaiste, respectively, and to embrace the historic moment that the Fine Gael-Labour Party union represented. While the naivety of those Deputies is one thing, the calculated cynicism of their senior colleagues is quite another. Twenty months on and two budgets later, that cynicism is writ large. The promise of the democratic revolution was patent nonsense. So many of the promises made during the last election

and on the formation of Government have been dumped as the Labour and Fine Gael Parties adopt the failed policies of their predecessors. We now realise that this Government is actually Fianna Fáil in all but name. Different personalities, but the same bad political choices; different voices, but the same message. Following the Taoiseach's statement that we will not have the word "defaulter" written across our foreheads, the bondholders have been paid in full, the banks and bankers have been propped up, there is no deal on the debt and no deal on the Anglo Irish Bank promissory note. The Government of tough decisions meekly submits to the will of the big boys at EU level and the troika. High rollers in the public sector, high earners across the economy and the wealthy are all unashamedly and unapologetically protected. Same old, same old Fianna Fáil.

The middle classes have been abandoned by this Government, left struggling with unmanageable debt, loss of income and loss of hope. The Government, it seems, could not be bothered to shape policy and budget decisions in favour of middle Ireland. That was too much trouble. Its promise of jobs has come to nothing. This Government continues to kill off confidence and demand in the domestic economy. The low-paid fare no better. The changes to the PRSI income disregard in the latest budget screams out the Government approach: protect the rich and screw the rest. Same old, same old Fianna Fáil. Deficit reduction is to be achieved by hammering citizens of modest means and cutting the meagre supports that are afforded to the sick, the elderly, the disabled and children. The Taoiseach, echoed by the Tánaiste, makes no apology for this. This is toxic stuff. It is by any stretch maladministration. It is incompetence. It is the Labour Party and Fine Gael echo of same old, same old Fianna Fáil.

Sinn Féin moved this motion of no confidence in the Government because confidence in this Administration has run out. This Government should go. Never mind the reshuffle signalled by An Taoiseach; this Government should reshuffle itself out of office and allow a fresh election in which the electorate will have the chance to return a Government that will actually protect the common good, defend the collective interest, stand up for citizens and lead from the front. Twenty months on, it is clear this Government is incapable of doing any of this.

The Government slaps itself on the back for dealing with the economic crisis in, to borrow the words of the self-congratulatory amendment tabled by it to this motion, "as fair a manner as possible". Listening to the Taoiseach, the Tánaiste, the Minister for Public Expenditure and Reform, Deputy Howlin, and the Minister for Transport, Tourism and Sport, Deputy Varadkar, extol the virtues of this Government was pretty nauseating. The boys are clearly not in touch with reality. The truth is that this Government is not interested in fairness. That is what all the evidence indicates. The Government lives in a bubble. It occupies a parallel universe and has a truly distorted sense of reality. This Fine Gael-Labour Party coalition is a coalition of the heartless leading the gutless. The self-righteous bleating of Fine Gael is rivalled only by the snivelling submission of the Labour Party.

Senior Ministers make all the noises about fairness, understanding the hardship endured by carers, the pressures that parents are under and, of course, the rights of children. The Minister for Social Protection, Deputy Burton, did so last night as she introduced the welfare cutbacks. All noise and empty rhetoric which means nothing. When it comes to it, this Government has no problem punishing carers by rushing through a cut to the respite grant. When it comes to it, all the solemn promises made to children mean nothing. The Government has cut child benefit and the back-to-school clothing and footwear allowance again. The family does not really matter to the bleeding heart of the Labour Party or conservative Fine Gael. Protection of families and family values can be invoked and dispensed with as this Government deems appropriate

and politically advantageous. That is how this Government operates. Sinn Féin is on to it. Parents, carers, mothers and the women of Ireland see this Government as it really is, and it is not a pretty sight - a grey cabal of pompous ego-trippers who beat their chests and lecture us about the tough decisions they have to make. This Government comprises people with no clue of what it takes to care for and love a chronically sick or profoundly disabled child. It has no respect for carers and no regard for what the loss of €325 means to a carer. It has imposed cuts to jobseeker's benefit, a tax on maternity benefit and cuts in services, has heaped charges on the ordinary citizen and has brazenly defended the very well off. This Government is not worthy to govern because it is hopelessly out of touch.

Last Friday, while listening to an interview with the parent of a child with spina bifida, I was reminded of the utter disgust and despair engendered by the previous Government. This woman, who cares for her beloved child 24-7, and in doing so does a service to her family and this State, cried bitter tears of frustration, impotence and anger on the steps of Parliament. When the mother of a child with spina bifida is reduced and degraded to tears outside this Parliament that is the clearest evidence that this Government must go. Thus far and no further; enough is enough. The Government has pledged to protect the strong and punish the weak. The motion clearly states that this is not acceptable, not only to Sinn Féin and those it represents but to those who gave the coalition parties a mandate to govern. The Government's time is up. It should do the decent thing and go.

Deputies: Hear, hear.

Deputy Jonathan O'Brien: There is a certain irony in our being lectured by partitionist politicians on the importance of country.

Naturally, I will be supporting this motion tonight because I, like tens of thousands of fellow citizens, have lost all confidence in this Government's ability to carry out the mandate which it was given in February of last year. I do not have confidence in this Government to deal with unemployment or to stem the tide of emigration, particularly when a Minister describes it as a "lifestyle choice". I do not have confidence in this Government to protect the most vulnerable in our society or to allow the elderly of this State, who have given a lifetime of service, to live their final years with dignity, free from stress and financial worries.

On 10 November last, the people of this State voted to enshrine the rights of children in the Constitution in what the Government described as an important, if not one of the most important results of any referendum. Just four short weeks later, the same Government that talked the talk about children's rights failed to walk the walk when it came to budget 2013. The Government launched an all-out attack on children in this budget and in doing so, it continues the failed and bankrupt economic policies of those who went before it, who also happily targeted those in society who do not have, while protecting and shielding the wealthy and the golden circles in Irish society. Cuts to child benefit, the back-to-school clothing and footwear allowance, not to mention the despicable cut to the respite care grant are just three of the cuts contained in budget 2013.

Every day since I was elected to this Chamber I have heard the Taoiseach and various Ministers point out - and rightly - the hypocrisy and the double standards of the current Fianna Fáil position in opposing measures such as the tax on the family home, the increase in the student contribution and the attacks on carers. However, what this Government is doing is exactly what Fianna Fáil did when it was in power and what Fianna Fáil is doing now is exactly what mem-

bers of the current Government did in opposition. If one is a hypocrite, then all are hypocrites. Fine Gael and the Labour Party are doing what Fianna Fáil did in government and Fianna Fáil is doing what Fine Gael and the Labour Party did in opposition.

This Government was elected on a mandate of change, a mandate of renewed hope, a fresh start or, to use the words of the Taoiseach, on the promise of bringing about a “democratic revolution”. Of course, it was also elected on the back of various promises and pledges made to the Irish people. What of those promises now? What of the promise not to cut child benefit or increase the student contribution? What of the promise to protect children and those with disabilities? What of those promises? I will tell the House what of those promises. They are out of sight, stuffed down the back of the cushy ministerial couches that people like Deputies Gilmore, Rabbitte, Burton, Quinn and Howlin now enjoy resting their backsides on. They so desperately wanted those couches that they sold their souls and betrayed the people who entrusted their vote and their hope in them. All in exchange for a lousy blue shirt and a hefty pension.

What of the citizens who trusted and believed in those promises which were made by the Labour Party and Fine Gael before the last election? What do they get for entrusting this Government with their hopes and their dreams or for believing that this Government would be different from and less cynical than the previous one? All they are left with is empty political rhetoric about how this Government is making tough decisions in the interests of the State and its people. Maybe someone from this Government can tell the carers who were outside Leinster House yesterday and who will be there again tomorrow how tough a decision it actually was to cut €325 from the respite grant and not take a brass copper from their own salaries. How tough a decision was that, Deputy Sherlock? Maybe someone from this Government can explain the comments of Deputy Burton last week, when she told people, having cut the back-to-school clothing and footwear allowance, to shop around. In all fairness. How tough a decision is it for those parents who will struggle next July to send their children back to school?

I have no confidence in this Government and if there was a shred of decency left on the Labour Party backbenches, those Deputies would stand by the carers, the sick, the disabled and the most vulnerable in this State by supporting this motion. If they fail to do so, they are standing by the Labour Party leadership, whose only interest is self interest.

Deputy Peadar Tóibín: There is a chasm between what this Government thinks is happening and the reality in our society. What the Tánaiste and the Taoiseach said earlier is so different from the reality. Ireland has lost more jobs in the last four years than any other Western society since the Great Depression. More than 87,000 people have emigrated in the last year, the highest figure since the 1800s and a third of a million have emigrated in the last four years. There has been a net reduction of 20,000 people working in this State since this Government came into office and year on year, every single growth projection made by the Government is reduced in hindsight. The Government has said that we take delight in what is happening but we take no delight in the fact that our families and friends are being pushed into poverty, into unemployment and into emigration. However, we would take delight in roll-over Gilmore standing up for his pre-election manifesto. We would take delight in the Government doing the job it was elected to do and would delight in it leaving office if it does not do that job.

Having listened to the earlier speeches, one would expect that the Irish people would be glad to see the Government doing what it is doing. In that context, I will read a letter from a constituent, addressed to Fine Gael and Labour Party TDs and copied to me. The writer says:

I would like you to know that I, for one, am grateful to your party. Grateful for the chance you have given me to learn to value every penny I haven't got in my battered old purse. I am grateful to be unemployed, as it has given me the opportunity to rear my own children and rejoice in their brilliance. I am so grateful for you as you are showing our young people what not to do when they gain power. I am grateful that we have no oil to heat our bedrooms as it draws us, as a family, around the open fire and improves communication among us. I am grateful for the day that we ran out of bread and had no money to buy any because it gave me an opportunity to learn to bake my own.

I am grateful that the children's allowance is cut by €30 for my family every month as it will motivate me to find further night-time work. And hey, let's not forget to be grateful for the property tax, because it reminds me that I am so so lucky to have a house which will give my son, who has a disability, a roof over his head long after I'm gone, so he won't be a burden on the State. I am also grateful for what's left of the respite grant, as it will pay for the property tax, not like last year, when it paid for a break for us all. I am grateful for my car, as it helps me get my son to all his hospital appointments and for the hundred euros that I conjure out of thin air every week, as that is what it now costs me to keep my car on the road. I am delighted that, despite my lack of employment, I am able to contribute to the economy by paying the Government 57 cent for every euro I put in my petrol tank as I now feel I am more than paying my way. I am grateful that I had enough petrol in my tank on Monday night to drive my son an hour's drive to casualty when he fell for the seventh time that day and for the lovely nurse and doctor who, despite their long shift and awful working conditions, were able to staple him back together. I am also grateful to our local mechanic who, luckily, fixed my car only that morning and is letting me pay in instalments.

I am grateful that my home support hours, which were sanctioned as necessary by every social worker that assessed us are now all gone, because if I was angry about it it would blacken my heart and make me bitter. I am grateful to my parents who are very proud to have reared an honest girl and I can look them in the eye, knowing I am true to my word and haven't lied to get to where I am today. I am glad that I gave your party a vote at the last election, as now I am very clear on who not to vote for at the next one and clarity can only be a good thing. Finally, it would be helpful if you could think about how the cuts your party has designed are going to impact on the vulnerable people of our society because I can't guarantee that I will be standing next year if something isn't reversed and how much do you think the collapse of all the carers in Ireland will cost the State?

Kind regards,

Pauline,

Oldcastle, County Meath.

How will the Government putting its hand into this woman's near-empty pocket cure Ireland's debt crisis while at the same time it stuffs the pockets of the bondholders with billions of our euro?

Deputy Dessie Ellis: Tá áthas orm deis a bheith agam labhairt ar an rún tábhachtach seo. Last week the Dáil heard that, despite everything we see around us, the economy is getting better. It is certainly not getting better for the ordinary working person. We were told hard choices had to be made. It seems the hardest choice faced by the Members opposite was how far to

go with their waffle about seeking change or taking the risk of opposing unfair measures. The Cabinet certainly did not make hard choices in the run-up to this budget, and the naive hope that Labour Party Deputies would oppose the budget was quickly dashed. The Government chose to target those who do what it seems to be incapable of doing, namely, those who care, who think not of themselves but of the people they have dedicated to serve and who give dignity and love to no matter how hard it may be. These carers make hard choices every day. They have been through it. Meanwhile, the Deputies who wrangle over their supposed difficulties with these cuts will saunter through the halls of the “Tá” lobby like well-dressed and overpaid sheep.

James Connolly wrote in *The Re-conquest of Ireland* that those who are not driven by greed are the most exploited in society. He was writing about women but he could easily have been writing about carers. His words were written under British rule in the Ireland of 1915, but he remains relevant today. He went on to write that the Irish woman was a cheap slave to the Irish capitalist. It is galling to see the words written by the founder of the Labour Party ringing so true about that party’s current policies. Carers were exploited for their kindness and love to save the State some money and now they are being used as a scapegoat. The people are told that the Government had no choice. The arrogance of this Government and its members is shocking. We raise real issues about the effects of these cuts but the only response is deflection and dismissal. I am sick and tired of being told that impressing the troika is the big issue, that serving its interests is paramount and that the only way to succeed is by making cuts to the most vulnerable. Maintaining any semblance of society or community is irrelevant as long as we are the best boys in Europe for going along with a terrible deal nobody else would accept.

I met a woman at the carers’ protest who has six children, of whom two have intellectual disabilities. This woman will lose €98 per month from her children’s allowance. A survey by the Irish League of Credit Unions found that 1.8 million people are left with €100 or less at the end of the month. I can guarantee this woman is in that group. Where does she stand now? The Government is throwing people into poverty and grinding down those who are already there. When we challenge Ministers and Government Members on these unfair cuts, they simply respond that it was a choice between respite care and core pay, as if there is no untaxed wealth in this State other than in the accounts of the low-paid or as if social welfare payments are the only expense to the State. Sinn Féin put forward costed measures which add up, despite the lies of this Government. I am sure the backbenchers learned their memo on how to attack our budget proposals but I doubt many of them actually read our submission. Unfortunately, we had to read the Government’s budget, and it made for scary reading for anyone who has any understanding of justice. We put forward fair and progressive measures that would have generated many times more revenue for the State than the paltry €26 million cut from carers, but the Government did not listen. I know that the poor, the disabled, the young, the old, the unemployed and the debt-ridden are its targets, but it is still jarring when this is presented so clearly in the budget.

I am disappointed by the Labour Party members with whom I have worked on Dublin City Council and who still call themselves socialists. Are they slaves to their middle-aged, out-of-touch leaders who have mulled over their wine for too long and have bedded themselves in a lust for power? They have betrayed their cause, their people and their legacy as members of the party of James Connolly in its centenary year. The Tánaiste famously stated that it was Labour’s way or Frankfurt’s way, but he did not even believe it when he said it. It is time he recognised that the people did not vote for the Labour Party we see today. The Minister for Communications, Energy and Natural Resources, Deputy Rabbitte, admitted that lying is what

he does in an election because anything goes to get into power and there are no principles. Is that what Labour Party backbenchers believe? If so, they do not deserve our confidence. The time for dancing was when the band was playing. Now it is time for the Labour Party to stand up in support of this motion.

Minister for Communications, Energy and Natural Resources (Deputy Pat Rabbitte): It falls to me to bring this damp squib to an end.

Deputy Peadar Tóibín: Is that the Government?

Deputy Pat Rabbitte: I apologise that I did not hear the debate because I have only now returned to Leinster House. I suspect I know the song very well, however.

Deputy Aengus Ó Snodaigh: Does Deputy Rabbitte know the song “Liar, Liar, Pants on Fire”?

Deputy Pat Rabbitte: I am glad to see that Deputy Tóibín is back with us.

Deputy Peadar Tóibín: Present and reporting for duty.

Deputy Aengus Ó Snodaigh: He never went away, you know.

Deputy Pat Rabbitte: I am sorry I missed Deputy McDonald, in particular, but I think I know the text very well.

Deputy Mary Lou McDonald: He should.

Deputy Pat Rabbitte: Sinn Féin clearly had a number of eager little beavers with social science degrees working away on scripts over the last two days for this parliamentary farce that they know very well is going nowhere.

Deputy Mary Lou McDonald: Does Deputy Rabbitte practice his pomposity?

Deputy Pat Rabbitte: Sinn Féin knows what it is about, I know what it is about and it knows that I know what it is about.

Deputy Gerry Adams: What are you about?

Deputy Pat Rabbitte: It is exploiting the circumstances for any advantage it can garner. This has nothing to do with governance, bringing forward solutions, putting people back to work or protecting sections of the community. It produces endless rhetoric without a single policy to be found. There is a soundbite for everything and a policy for nothing.

Deputy Peadar Tóibín: Is the Minister speaking about himself?

Deputy Pat Rabbitte: The policies it has published have more holes than a colander.

Deputy Aengus Ó Snodaigh: We heard that one before.

Deputy Pat Rabbitte: I watched Deputy McDonald on television with the Minister of State at the Department of Finance, Deputy Brian Hayes, when she could not account for the missing €750 million. It does not matter that her party cannot produce an alternative budget, however, because its aim is to exploit the mood of the people for electoral advantage.

Deputy Dessie Ellis: Deputy Rabbitte did that before the election. He has no principles whatsoever. He is a political somersaulter.

Deputy Pat Rabbitte: It tried to do the same thing with the fiscal treaty so that it could get 50% of the coverage. It learned a lesson from the experience.

Deputy Mary Lou McDonald: We learned how pompous Deputy Rabbitte can be.

Deputy Pat Rabbitte: At the end of the process it was exposed as not having a single positive proposal to offer the Irish people. If the people had followed Sinn Féin's example on the fiscal treaty, where would we be now?

Deputy Peadar Tóibín: They are emigrating now.

Deputy Pat Rabbitte: We would be in worse circumstances than the unfortunate people of Greece. That is the fundamental division in this House. In the current economic climate, Sinn Féin has embarked on creating as much mayhem as it can in the hope it will get some support for that. I do not believe it will.

Deputy Peadar Tóibín: Some 300 businesses are closing on a weekly basis. That is what is called mayhem.

Deputy Pat Rabbitte: The fact of the matter is that everybody with a titter of wit knows the state of the economy we inherited. They know the dysfunctional circumstances into which the country was plunged.

Deputy Peadar Tóibín: The Labour Party broke its promises.

Deputy Pat Rabbitte: They know now that stability has been restored to the governance of this country. They know that the reputation of this country has been restored. We have a thriving export sector.

Deputy Peadar Tóibín: Exporting people, through emigration.

Deputy Pat Rabbitte: We have the healthiest IDA pipeline we have ever had. Last year, we had the best year we have had for ten years in terms of foreign direct investment. We have difficulties in the consumer economy, but it is not difficult to understand why that should be the case. We are addressing these issues, and against all the odds have managed to bring home a budget under constraints. This is the sixth time the people have had to endure cutbacks because of the gap between our spending and our revenue.

We will never return to having 17% of the population involved in construction. Any normal economy has approximately 8% involved in construction. Right now, we have only 3% involved in construction, and we must try to increase this. The challenge is to recast the entire economy, and that is what we are working towards.

Deputy Mary Lou McDonald: The challenge is not to be so pompous towards women and children.

Deputy Pat Rabbitte: We now have the real prospect, if stability returns to the eurozone, of faster growth in this economy than in similar economies elsewhere. Sinn Féin is playing parliamentary games and one-upmanship in the context of whether this motion would create more damage than would the continuation of the budget debate or the debate on the X case. If creat-

ing mayhem with a motion of no confidence would create more disruption, then it will go for that. The fact of the matter is that Sinn Féin is having no impact with this motion. Everybody recognises that it is a joke and will see through it for the joke it is. There is serious business confronting this Parliament that must be done and Sinn Féin is simply-----

Deputy Pearse Doherty: We know what the Government plans to do in a couple of hours.

Acting Chairman (Deputy Charlie McConalogue): Order, please. The Minister's time is up.

Deputy Pat Rabbitte: I want to welcome Deputy Doherty back. He was kept under wraps for three or four months. I have never been able to find out why. He is a very energetic young man and I do not know why he has been kept under wraps. With the bleating from him and his colleagues-----

Deputy Pearse Doherty: The Minister should define what the serious business he has mentioned is.

Deputy Pat Rabbitte: -----one would think they were keeping the Society of St. Vincent de Paul in business.

Acting Chairman (Deputy Charlie McConalogue): The Minister's time is up.

Deputy Pat Rabbitte: I greatly regret that, because I was only getting started.

Deputy Caoimhghín Ó Caoláin: We greatly regret it too, because the Minister is the best of craic.

Deputy Gerry Adams: The Minister has just left, but I wanted to tell him that the reason Deputy Doherty was not around was that he buried his father over the summer. I ask the Minister's colleagues to please convey that information to him.

Deputy Brian Stanley: When the Government came to power, the Taoiseach proclaimed we would have a democratic revolution. I could use many words to describe the Taoiseach, but he is certainly not the leader of a democratic revolution. Over the past 20 months, what we have seen is not a democratic revolution but a seamless transition of power from Fianna Fáil to Fine Gael and the Labour Party. There is very little difference between the National Recovery Plan 2011-2014, produced by Fianna Fáil in the dying days of the last government, and the programme being rolled out by the two parties in government currently. I checked the Fianna Fáil programme in recent days and was amazed by the similarities between it and the current programme.

Fine Gael and the Labour Party are happily implementing the policies contained in the old Fianna Fáil programme. They are introducing water meters, water charges and a household charge of €100 per annum, which will from next year, as a property tax, bring in €500 million per annum. All of these measures were invented by Fianna Fáil but are being implemented by the current Government. Fianna Fáil committed to cutting staffing levels in the public service. Fine Gael and the Labour Party have gone further.

The Labour Party has failed those who voted for it. It has failed to introduce the transformative change the Tánaiste promised before it came into power. Particular issues that have met fierce resistance are the proposed water charges and household tax. In case Labour Party mem-

bers have forgotten what they stated in their manifesto last year, they said that the Labour Party does not favour water charges while the immediate needs of those who currently receive intermittent or poor water supplies are not addressed. However, now that the party is in government, things are different. It now proposes to use the National Pensions Reserve Fund to install water meters for each household so that households can be charged for water. In reality, the Labour Party has been willing to support two budgets that have been regressive, divisive and unjust.

In commenting on last year's budget, the ESRI stated that a combination of taxes and welfare changes imposed greater losses on those on lower incomes. According to groups commenting this year, the same is due to happen again. Promises not to cut child benefit were trampled on in the rush to get around the Cabinet table. Meanwhile, this year's budget has brought further cuts and pain for the low- and middle-income households.

A Labour Party member, former councillor Bronwyn Maher, addressing a party meeting in Liberty Hall last Saturday, said: "The budget was not fair or equal, and has disproportionately affected the lower paid." I could not have put it better myself. In a desperate attempt to reclaim some dignity, some Labour Party Deputies are writing to constituents saying that it was a priority to ensure the budget was as fair as possible under the economic circumstances, and that those who have the most will pay the most. That is not how it has turned out. It has turned out the very opposite. In all seriousness, one could hardly remain straight-faced saying that. It is a desperate attempt by a desperate Government to try spin its way out of trouble.

The uncomfortable truth those on the Government benches must own up to is that the cuts in budget 2013 are there for all to see. Jobseeker's allowance has been cut to nine months. Respite care, child benefit, back-to-school clothing allowance and farm assist payments for the lowest-income farmers have all been cut. Educational allowances for those returning to education have also been cut. Cuts have also been made to exceptional needs payments, telephone and gas allowances, funding for third level education and funding for VECs, which are currently operating on a shoestring. PRSI has increased for the low-paid and increases have been announced in college fees, motor tax and VRT. All of these cuts and increased charges punish low- and middle-income groups.

Under the Labour Party and Fine Gael, no one earning less than €100,000 was supposed to pay more income tax. This Labour Party election promise has been shredded. Next year, those earning the least will have to pay more from their incomes because of increased PRSI. This will place a huge burden on low-income households. The combination of cuts and increased taxes will put a huge burden on people, particularly those in rural areas. People in urban areas already feel the pinch because they have been hit with increased transport costs. I call on the Government to sit up and take note of what it is doing, as it is very difficult for us to have confidence when we see what is happening.

Let me highlight one issue under the remit of a Labour Party Minister which is causing difficulties: SUSI, which deals with the allocation and administration of third level grants. Sinn Féin has been trying to phone the Oireachtas helpline with regard to this issue. This helpline is not the one used by the general public, so things must be much worse for them. We have spent the past three or four days trying to ring the helpline, but we cannot get an answer. The mailbox is full and we cannot send mail. We can get no answers on an issue as basic as this. The previous system was administered by county councils and VECs and although it was not perfect and needed improvement, it functioned. Now there is total failure. We cannot get a response on the phone, the mailbox is full, and the first term is almost over for students.

We cannot have confidence in the Government when it has failed to deal with bank debt and the mortgage crisis and to implement a strategy for jobs and sustainable growth. The Government has passed its sell-by date.

Deputy Gerry Adams: I was just listening to the Minister, Deputy Rabbitte, late of Sinn Féin, Official Sinn Féin, Sinn Féin - The Workers' Party, The Workers' Party, New Agenda, Democratic Left and now the Labour Party. He and his party leader have destroyed every party they were ever part of, with the exception of Sinn Féin. That is a warning for the Minister of State, Deputy Sherlock.

Deputy Sean Sherlock: The Deputy is revising his party's history slightly.

Deputy Aengus Ó Snodaigh: The Deputy is too young to remember.

Deputy Sean Sherlock: I am old enough.

Deputy Gerry Adams: Tonight, families are sitting back to count and try to calculate how much they have. They are trying to work out which bills they can pay and which bills they cannot pay. They are looking at their grocery bills and wondering what they can and cannot afford. The Government does not care. It has done its calculations and it knows how much money it is picking from the pockets of its citizens. Despite the claims of the Taoiseach and the Tánaiste that they are in favour of open, transparent and accountable government, I do not think they want a proper debate on the despicable budget they have introduced. The people elected them last year because of the clear pledges and the promises they had made. They said they would not give another red cent to the banks. Instead, they have given €20 billion to the banks. They said they would protect child benefit and cut prescription charges. The Labour Party and Fine Gael said they would protect the elderly and vulnerable and sort out the health service. They have failed on all of these counts and more. They said they would tell our European partners that the EU-IMF deal is bad for this State, but one of the first things they did was pay a €3.1 billion promissory note instalment to the zombie bank Anglo. They should not be asking the citizens to shoulder this unsustainable banking debt as they are having to do.

The Government told us in June that the European Stability Mechanism would deal with legacy bank debt. The Tánaiste said firmly on more than one occasion that it would be Labour's way or Frankfurt's way, but instead he went Fianna Fáil's way. Fine Gael said it would impose burden-sharing on bondholders, before it somersaulted and protected bondholders, even in toxic banks like Anglo Irish Bank. The Taoiseach made it clear today that the Government will not reverse the cut in the respite care grant. These big men can be tough on the sick, the disabled and the elderly - that is no problem to them - but it is another story when it comes to the high salaries and pensions of Minister and senior civil servants. They have no problem breaking their own salary ceiling for special advisers, but they cannot find more money for home help care. They have no problem signing off on obscenely high salaries for the bankers who created this mess, along with Fianna Fáil and others, and are now employed in banks owned by the State, but they cannot find money to help mothers trying to buy clothes for their children as they go back to school. Last week's budget attacked carers, the sick, the elderly, children and families.

Deputy Sean Sherlock: I thought this was a confidence motion.

Acting Chairman (Deputy Charlie McConalogue): Order, please.

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Deputy Sean Sherlock: If Deputy Adams wants us out, why is he not presenting an alternative?

Deputy Aengus Ó Snodaigh: Perhaps the Minister of State gets bored very easily, but he should listen.

Deputy Sean Sherlock: I am bored already.

Deputy John Perry: We are bored already.

Deputy Aengus Ó Snodaigh: In that case, the Ministers of State should leave like the rest of the Government Deputies have done.

Acting Chairman (Deputy Charlie McConalogue): The speaker has the floor.

Deputy Sean Sherlock: Where are the ideas coming from Sinn Féin?

Deputy Paul Kehoe: Sinn Féin does not do ideas.

Deputy Gerry Adams: The budget does not include any ideas on how to-----

Deputy Sean Sherlock: I have been here for half an hour and I have not heard any proposals.

Deputy Gerry Adams: -----reduce unemployment or get the economy off the ropes.

Deputy Sean Sherlock: Sinn Féin did not even go to the Department of Finance with its proposals.

Acting Chairman (Deputy Charlie McConalogue): Deputy Sherlock, the speaker has the floor.

Deputy Sean Sherlock: Deputy Adams should give me some ideas.

Deputy Aengus Ó Snodaigh: I can give the Minister of State our document if he wants to read it.

Deputy John Perry: Propaganda.

Deputy Paul Kehoe: It looks like a chess board.

Deputy Gerry Adams: The Deputies opposite do not want to hear. I ask them to listen so they might learn something.

Deputy Paul Kehoe: I do not think so.

Deputy Sean Sherlock: Deputy Adams should give us some ideas.

Deputy Gerry Adams: This punitive and cruel budget will increase financial hardship and poverty for tens of thousands of families. Child benefit is a universal payment that is made to the children of the State. The men and women of 1916, including the man who founded the Labour Party, of whom it has been said that when he went into the GPO, the Labour Party never came out again, signed up-----

Deputy Sean Sherlock: The Deputy and his colleagues wrote one or two people out of his-

tory in their time.

Deputy Gerry Adams: -----to a Proclamation that said the Republic would cherish “all the children of the nation equally”. The Democratic Programme of the First Dáil, which was drafted by Thomas Johnson, who was another leader of the Labour Party, said “it shall be the first duty of the Government of the Republic to make provision for the physical, mental and spiritual well-being of the children, to secure that no child shall suffer hunger or cold from lack of food, clothing, or shelter”. That should be Labour’s way, but patently it is not. The Tánaiste said that child benefit was a red-line issue for the Labour Party. The party’s candidates advised people to vote for them if they wanted to protect child benefit. That is the mandate they were given. Therefore, they no longer have a mandate. That is the basis of tonight’s vote of no confidence in the Government. It does not have a mandate for what it is doing. The Labour Party promised to end political cronyism. Fine Gael promised to bring about a democratic revolution. Since then, the Minister, Deputy Reilly - another millionaire Minister - has fixed the primary care list-----

Deputy Paul Kehoe: The Deputy is not badly off himself.

Deputy Gerry Adams: -----to include two locations in his constituency and has closed public nursing home beds while engaged in the business of private nursing home industry. What about the election pledge that the Minister, Deputy Quinn, gave to students? That is the kind of stroke politics that the Fianna Fáil leadership was renowned for.

Deputy John Perry: The Deputy is not bad at that himself.

Deputy Gerry Adams: When the former Minister of State, Deputy Shortall, drew attention to a scandal involving the Minister for Health, the Labour Party leadership looked the other way. I hope the Ministers of State who are in attendance do not mind me raising the big issue of the North, the peace process and the need to implement the Good Friday Agreement fully. Most of the Government’s commentary on this issue in the Chamber has been reduced to heckles as Ministers and backbenchers seek to distract attention from the bad decisions and policies they are pursuing. As we have seen this week, the peace process is too important to be treated in this way. It would be better for the Government to work in an intelligent, strategic and consistent manner for the full implementation of the Good Friday Agreement and the other agreements as it is obliged to do. It would be better for the Government to work with Sinn Féin and others to bring about Irish unity, as they are constitutionally bound to do.

Deputy Sean Sherlock: I invite the Deputy to come to my Department for a briefing on InterTradeIreland and the work we are doing on North-South trade links.

Acting Chairman (Deputy Charlie McConalogue): I ask the Minister of State to allow Deputy Adams to continue.

Deputy Sean Sherlock: We are working in that area.

Deputy Mary Lou McDonald: We know all about InterTradeIreland. It is fine.

Deputy Sean Sherlock: I will give Deputy Adams a personal briefing.

Deputy Peadar Tóibín: InterTradeIreland has not received any increase in its funding.

Deputy Sean Sherlock: Deputy Adams said we are doing nothing on it.

Deputy Caoimhghín Ó Caoláin: The Deputy should show some manners.

Acting Chairman (Deputy Charlie McConalogue): The speaker has two minutes left and I ask that he be allowed to complete his contribution uninterrupted.

Deputy Gerry Adams: The Tánaiste today expressed his admiration for David Cameron's "determination to get to the truth" about Pat Finucane. I remind the House that the de Silva report was about stopping the Finucane family from getting the truth. The members of the family made that plain today. This Government's cynical attitude towards the promises it made and towards its own electorate - if we forget about the Sinn Féin or Fianna Fáil electorates for a moment - was best summed up and illustrated by the Minister, Deputy Rabbitte, on Sunday night. When he was pressed about all the promises his party made during last year's election campaign, he simply asked "isn't that what you tend to do during an election?". The Government should go for all these reasons. In addition, it is simply not competent. Its incompetence on many levels should not be under-estimated. I ask the Deputies opposite to do the patriotic thing.

Deputy Aengus Ó Snodaigh: They should take a hike.

Deputy Gerry Adams: They should take the patriotic choice, which is to take a walk - go - in the interests of the people.

Deputy Sean Sherlock: That ended with a whimper.

9 o'clock

Amendment put:

The Dáil divided: Tá, 88; Níl, 51. Tá Bannion, James Barry, Tom Burton, Joan Butler, Ray Buttimer, Jerry Byrne, Eric Byrne, Catherine Carey, Joe Coffey, Paudie Conaghan, Michael Conlan, Seán Connaughton, Paul J. Conway, Ciara Coonan, Noel Corcoran Kennedy, Marcella Coveney, Simon Creed, Michael Daly, Jim Deenihan, Jimmy Deering, Pat Doherty, Regina Donohoe, Paschal Dowds, Robert English, Damien Farrell, Alan Feighan, Frank Fitzgerald, Frances Fitzpatrick, Peter Flanagan, Charles Gilmore, Eamon Griffin, Brendan Hannigan, Dominic Harrington, Noel Harris, Simon Hayes, Tom Hayes, Brian Heydon, Martin Hogan, Phil Howlin, Brendan Humphreys, Kevin Humphreys, Heather Keating, Derek Keaveney, Colm Kehoe, Paul Kelly, Alan Kenny, Seán Kyne, Seán Lawlor, Anthony Lynch, Ciarán Lynch, Kathleen Lyons, John McCarthy, Michael McEntee, Shane McGinley, Dinny McHugh, Joe McLoughlin, Tony McNamara, Michael Maloney, Eamonn Mathews, Peter Mitchell O'Connor, Mary Mulherin, Michelle Murphy, Dara Murphy, Eoghan Neville, Dan Nolan, Derek Ó Ríordáin, Aodhán O'Donnell, Kieran O'Donovan, Patrick O'Mahony, John O'Reilly, Joe Perry, John Phelan, John Paul Phelan, Ann Rabbitte, Pat Reilly, James Ring, Michael Ryan, Brendan Shatter, Alan Sherlock, Sean Spring, Arthur Stagg, Emmet Stanton, David Timmins, Billy Tuffy, Joanna Varadkar, Leo Wall, Jack Walsh, Brian White, Alex Nil Adams, Gerry Boyd Barrett, Richard Broughan, Thomas P. Browne, John Calleary, Dara Collins, Niall Collins, Joan Colreavy, Michael Cowen, Barry Crowe, Seán Daly, Clare Doherty, Pearse Donnelly, Stephen S. Dooley, Timmy Ellis, Dessie Ferris, Martin Flanagan, Luke 'Ming' Fleming, Tom Fleming, Sean Grealish, Noel Halligan, John Healy, Seamus Healy-Rae, Michael Kelleher, Billy Kirk, Seamus Kitt, Michael P. Lowry, Michael McConalogue, Charlie McDonald, Mary Lou McGrath, Michael McGrath, Mattie McGrath, Finian McGuinness, John McLellan, Sandra Martin, Micheál Murphy, Catherine Nulty,

Patrick.Ó Caoláin, Caoimhghín.Ó Cuív, Éamon.Ó Snodaigh, Aengus.O'Brien, Jonathen.O'Dea, Willie.O'Sullivan, Maureen.Pringle, Thomas.Ross, Shane.Shortall, Róisín.Smith, Brendan.Stanley, Brian.Tóibín, Peadar.Troy, Robert.Wallace, Mick. Tellers: Tá, Deputies Paul Kehoe and Emmet Stagg; Níl, Deputies Aengus Ó Snodaigh and Catherine Murphy..

Amendment declared carried.

Motion, as amended, put and declared carried.

Social Welfare Bill 2012: Second Stage (Resumed)

The following motion was moved by the Minister for Social Protection on Tuesday, 11 December 2012:

That the Bill be now read a Second Time.

Debate resumed on the following amendment:

To delete all words after "That" and substitute the following:

"Dáil Éireann declines to give a Second Reading to the Social Welfare Bill 2012 because it unfairly places the burden of recovery on children, carers and the low paid and having regard to the failure of the Government to consider taxing high earners and wealth instead."

-(Deputy Aengus Ó Snodaigh).

Deputy Jerry Buttimer: It is important to put the debate in context. When I listen to the largest Opposition party, in particular, it seems as if amnesia has set in. This is the party that took €16.50 a week from the disabled and the blind, those who required the most help from the State. Its members have come here tonight ready to cast their votes, but they have brought forward no propositions. I understand Deputy Willie O'Dea's frustration and annoyance. If I was in his shoes, I would be the same.

Deputy Willie O'Dea: Would you, Deputy?

Deputy Jerry Buttimer: I would be embarrassed. In its last two budgets before it left office Fianna Fáil slashed core weekly payments on which citizens relied. In our case, as a Government, we restored the minimum wage, maintained core weekly payments and have a plan to restore the country's finances. That is why there is positivity regarding the 2,500 places available on the Tús scheme, which will increase numbers to 7,500. There are 2,500 new Job-Bridge places, which will increase the total to 8,500 and there are an additional 2,500 community employment scheme places, with 2,000 new places in local authority social employment schemes. These are to be welcomed. They are activating measures that will move people away from the hopelessness they feel and bring them towards measures which will enable them to find work in the future.

12 December 2012

The Government has taken tough decisions. Unlike the second party on the Opposition benches, it does not bring with it a partition mentality on the island. I challenge Deputies Martin Ferris and Mary Lou McDonald. A true sense of republicanism-----

(Interruptions).

Deputy Martin Ferris: I will take Deputy Jerry Buttimer down the Shankill Road and show him what it is like around there

Deputy Jerry Buttimer: I know what the Deputy did; he should not worry. If we want a true sense of republicanism, let us have parity on the island.

Deputy Mary Lou McDonald: Really.

Deputy Jerry Buttimer: Those of us who want to see an Ireland of equals are trying to achieve this.

Deputy Mary Lou McDonald: Get the transfer, Jerry.

Deputy Jerry Buttimer: Sinn Féin's mentality and attitude is that it does not want the country to succeed in order that it can grab its supporters and wave its little flag. That is the reality.

Deputy Mary Lou McDonald: Yes, yes; go away.

An Ceann Comhairle: I would appreciate it if the Deputy allowed Deputy Jerry Buttimer to speak.

Deputy Mary Lou McDonald: It is really very trying.

Deputy Jerry Buttimer: The Deputy is for nothing and against everything. Her little fancy world was-----

Deputy Mary Lou McDonald: A Cheann Comhairle, what is that background noise? It must be very depressing for you.

Deputy Jerry Buttimer: The budget is one that many of us in the House would never wish to introduce because it impinges and impacts on people. Some €3.1 billion is not small change. However, the Government is committed to the renewal of the country. It is about creating a new Ireland, whereas the party on the opposite side which promised clever politics practises the same clapped-out type it has practised for 50 years. It is all about looking after its own and appealing to its support base.

Deputy Mary Lou McDonald: The Deputy is going to hammer carers.

Deputy Willie O'Dea: Look in the mirror.

Deputy Jerry Buttimer: That was Fianna Fáil's way. For 14 years it led the people a merry dance. The problem is that they now recognise it is preaching more of the same.

Deputy Seán Ó Fearghail: Protect the rich and steal from the poor.

Deputy Jerry Buttimer: Fianna Fáil's record in government is that it got rid of the Green Party, buried the Progressive Democrats and could not cope with the Labour Party. Now it has

nobody with whom to coalesce.

Deputy Martin Ferris: The Deputy's party brought in the Labour Party.

Deputy Jerry Buttimer: This is recognised by the people. I am out and about every day. I knock on doors and listen to people. Their message to me is: "You have been given a mandate to get the country back."

Deputy John Browne: That is not the message we are hearing.

Deputy Jerry Buttimer: That is what we are going to do and it requires tough decisions.

Deputy Mary Lou McDonald: Jerry, you are so tough. I am so impressed.

Deputy Jerry Buttimer: It requires political courage to make decisions that will in five and ten years give people hope and allow my nephews and godchildren the opportunity to live in this country, be educated, find a job and raise their families here. That opportunity has been lost for the past 14 years.

If one wishes to consider the voodoo knowledge of Sinn Féin, one should look at its propaganda leaflets and manifestos. One should look at what it is doing in government in the North. It says one thing up there but something different down here.

Deputy Mary Lou McDonald: Jerry, you are just so tough. We have no answer to that.

Deputy Jerry Buttimer: Sinn Féin is full of hypocrisy.

Deputy Mary Lou McDonald: We are prepared to acknowledge how tough the Deputy is.

An Ceann Comhairle: Do you mind, Deputy? You complain about this kind of thing and then will not allow the Deputy to speak.

Deputy Mary Lou McDonald: We consider it revenge.

Deputy Jerry Buttimer: You not want to hear the truth because you were scolded-----

(Interruptions).

An Ceann Comhairle: I will not ask Deputy Mary Lou McDonald a second time. Let all Deputies speak through the Chair.

Deputy Jerry Buttimer: Gabh mo leithscéal, a Cheann Comhairle.

Deputy John Browne: Exactly.

Deputy Jerry Buttimer: The Government has increased spending on carers by almost €20 million. This year we are spending €780 million on carers, €520 million on carer's allowance; €23 million on carer's benefit; €132 million on the respite care grant and €104 on domiciliary care allowance. Some 52,000 people are in receipt of carer's allowance, whereas in 2001 there were 20,000.

This is about making decisions that will get people back to work and support an economy that is about the people. There is a focus on the respite care grant that many of us would prefer was not on it. This is not a cut that anybody in his or her right mind would make if it was a

time of boom and bloom. However, it is a cut imposed on us because of the economic policies pursued by the Members opposite. I know and appreciate Deputy John Browne finds the narrative hard to take.

(Interruptions).

Deputy Jerry Buttimer: It is important to recognise that Deputy Willie O’Dea sat at the Cabinet table for almost 12 of the past 14 years.

Deputy Willie O’Dea: I did not.

Deputy Seán Ó Fearghail: The Deputy’s party wanted to spend more and tax less.

Deputy Jerry Buttimer: The Deputy is full of hypocrisy. Thanks to the mandate of the Government the country will have its sovereignty restored. It will create jobs and is doing so now. More and more people are seeking to come to invest in the country. That is about a Government and the people working together. The budget will have an impact on the economic spend of the people. However, it has been framed with the overarching goal and aspiration of getting people back to work. If the Members opposite want to see Ireland fail, that is their business, but the Government is focused on driving reform, creating jobs and protecting the people.

Deputy Willie O’Dea: What did it create?

Deputy Jerry Buttimer: Every day I meet people from all walks of life who tell me that we should get the country back on track and not to allow a situation to continue where we have to see our loved ones move abroad where there are jobs.

Deputy Willie O’Dea: Get off the stage.

An Ceann Comhairle: The Deputy will leave if he continues to interrupt.

Deputy Jerry Buttimer: Every day the Government rectifies the mistakes made. It is committed to the task of rebuilding Ireland. It does not have one eye on the opinion poll and the other on the ballot box.

Deputy Seán Ó Fearghail: It has both eyes on the opinion poll.

Deputy Jerry Buttimer: There were 14 years during which we saw this happen. There were greedy cuts and today there is this gargantuan hypocrisy. I understand the triviality and jocoseness of Deputy Willie O’Dea because I, too, would be ashamed of that record.

Deputy Willie O’Dea: I find the Deputy funny. Is that okay?

An Ceann Comhairle: I must ask the Deputy to complete his contribution.

Deputy Jerry Buttimer: As a Government, we will prioritise the national housing strategy. We will look at the report on child benefit in order to see how we can change the body of social welfare payments.

Deputy Seán Ó Fearghail: Reduce it further.

An Ceann Comhairle: I call on the Minister to reply.

Minister for Social Protection (Deputy Joan Burton): When we pass this Bill tonight-----

Deputy Aengus Ó Snodaigh: The Bill will not be passed tonight.

Deputy Joan Burton: -----we will create 10,000 extra opportunities for people who are currently unemployed and locked out of the labour market. We will also be creating over 6,000 after-school care places.

Deputy Aengus Ó Snodaigh: Not in this Bill.

Deputy Joan Burton: This is part of the vision to which we referred last year in the context of supporting communities that are in difficulty and that are suffering the worst effects of the deepest recession the western world has known probably since the devastation of the Second World War.

I wish, in all sincerity, to inform those Deputies on all sides who made interesting and valuable contributions that as I discuss these matters with mothers and fathers - some of them are in employment while others unfortunately are not - they inform me about their priorities and they ask me, as Minister, to help get their fine young adult sons and daughters out of their homes and back into education, training and work. The Labour Party is all about work. Welfare is a substitute, a springboard and a method of assistance. However, as was the case with Connolly and Larkin, it is work which the Labour Party wants for those who are currently locked out of employment.

I listened to the sincere complaints on the part of a number of Deputies to the effect that there was not more time available to devote to the debate on the Bill. I regret that this morning some 90 minutes that were allocated in respect of the Bill were basically lost-----

Deputy Aengus Ó Snodaigh: That time was not allocated for the debate on this Bill.

Deputy Barry Cowen: We were exercising democracy this morning. The Minister should take her beating.

Deputy Joan Burton: -----as a result of disputes relating to matters which do not relate to social welfare.

Deputy Aengus Ó Snodaigh: What happened this morning did not interfere with the debate on the Social Welfare Bill.

Deputy Joan Burton: I have been here early in the morning and have remained late at night in order to listen to Deputies' contributions to the debate the Bill. I have heard people complaining - I accept that some of them may not have been here this morning when the *rí rá* was taking place - about the lack of time but I have been here all day and I have been ready and willing to listen to what they have to say.

Deputy Aengus Ó Snodaigh: The time that was allocated was-----

Deputy Seán Ó Fearghail: The Minister created a fair amount of *rí rá* herself.

An Ceann Comhairle: Will Deputies please address their remarks through the Chair?

Deputy Joan Burton: Savings must be made from the social welfare budget. There are no easy options, particularly as every cut or change will affect someone now or in the future. If we do not balance our spending with what we are taking in, the finances of the State will become even more unsustainable than has been the case since the introduction of the bank guarantee.

Deputies on the Opposition benches should be aware that if the finances of the State are not brought back into balance within a reasonable timeframe, the people who depend on social welfare payments will suffer most. That is an unfortunate truth. Those who are well off will get by. It is the people about whom so many Deputies on the opposite side of the House are concerned who will suffer most if we do not get the country back onto a path of financial sustainability.

Deputy Seán Ó Fearghail: The Minister had no great interest in that when she was in opposition.

Deputy Joan Burton: For a second year, there have been no cuts in the core payment rates of social welfare. By maintaining the rates of primary social welfare payments, we are ensuring that people will not have to worry about their main weekly financial support. However, this means that savings must be made elsewhere. I wish this were not so but unfortunately it is the case. The cut of €16.50 per week which the previous Fianna Fáil-led Government made in respect of various allowances-----

Deputy Willie O'Dea: What about all the increases we provided?

Deputy Joan Burton: -----including carer's allowance and disability benefit-----

Deputy Willie O'Dea: When in opposition the Minister said these were not adequate and then after the crash they said they had been too generous.

Deputy Joan Burton: -----was among those which were most felt. People still remember those cuts and the suffering to which they gave rise.

Deputy Willie O'Dea: There will be a great deal of interest in the Minister after tonight.

Deputy Joan Burton: Our pensioners still recall the loss of the Christmas bonus under Fianna Fáil.

Deputy Seán Ó Fearghail: The Minister's level of inconsistency is unbelievable.

Deputy Joan Burton: Deputy O'Dea will be familiar with what occurred at that time.

Deputy Seán Ó Fearghail: The inconsistency is unbelievable.

Deputy Joan Burton: When that cut was made, Deputy O'Dea was very hurt by it.

Deputies on all sides put forward strong views on the budget. It is difficult to take any income away from people, particularly those who are completely reliant on social welfare payments. Naturally, I am very sympathetic to all of those who are struggling in very difficult circumstances. However, the fact remains that cuts must be made. We are trying to do this in the fairest way possible.

I engaged in a careful consideration of the plans put forward by Fianna Fáil and Sinn Féin prior to the budget. I noticed that Fianna Fáil found €200 million in unspecified fraud savings. In the current year, as a result of a very strong effort on its part, my Department made €625 million in savings in the context of reducing future expenditure on social welfare arising from fraud and misuse of the system. As a former Minister, Deputy O'Dea will know that none of this money counts as an expenditure cut. It is very important in preventing future rises in expenditure but, unfortunately, it does not count for the purposes of the budget.

I wish to refer to a proposal which I know to be very close to the hearts of those in Sinn Féin and which is continually put forward by them. I refer to the proposal for a social welfare amnesty. Deputy Ó Snodaigh has tabled detailed amendments in respect of this matter for Committee Stage. In all sincerity, I say this to him and fellow Sinn Féin Deputies that a social welfare amnesty could be something of a charter for people who have scammed they system to get away with what they did in the past.

Deputy Martin Ferris: What about the tax concessions-----

Deputy John Browne: What about the cut to the respite care grant?

Deputy Joan Burton: The Bill contains proposals to recover moneys that can go towards payments that are due not just to the social welfare system but also to pensioners and carers.

Deputy Mary Lou McDonald: What about the tax amnesty proposed by the Labour Party?

Deputy Joan Burton: Up to now, we have only been able to recover €2 per week from people. There has been a great deal of debate in respect of carers, those on disability allowance and jobseeker's benefit and pensioners. Recovering €2 per week from somebody who has been defrauding the social welfare system is simply not good enough for our pensioners. I do not understand Sinn Féin's logic in respect of this matter.

Deputy Mary Lou McDonald: We do not understand the logic of having a tax amnesty.

Deputy Aengus Ó Snodaigh: We are talking about overpayments.

Deputy Joan Burton: Deputy McDonald and others in Sinn Féin have been very vociferous in attacking the Labour Party. They have a long history of complex involvement in civil strife and insurrection. Labour is a social democratic party. This means that we cleave to the parliamentary, democratic way.

Deputy Aengus Ó Snodaigh: The leader of the Labour Party used not do so.

Deputy Joan Burton: Those in Sinn Féin may not always have followed that particular route but I welcome the fact that they are going to follow it now.

Deputy Martin Ferris: What about the Labour Party's leadership?

Deputy Mary Lou McDonald: This is so touching.

Deputy Martin Ferris: What about Deputies Rabbitte, Gilmore, Kathleen Lynch and Eric Byrne?

Deputy Joan Burton: However, they are ill placed to criticise any of the democratic parties in Dáil Éireann.

Deputy Mary Lou McDonald: Really.

Deputy Joan Burton: Yes, really.

Deputy Mary Lou McDonald: I thank the Minister for welcoming me to democratic politics.

Deputy Joan Burton: Those parties have stood by the Republic down through the years

and have pursued policies of non-violence. We will not discuss the matter any further. However, Deputy McDonald is not entitled to hold out-----

Deputy Mary Lou McDonald: I am very moved by the Minister's words.

Deputy Aengus Ó Snodaigh: What about the fascists-----

An Ceann Comhairle: Those who are interrupting the Minister are the people who are continually complaining about matters. Will they allow the Minister to reply, without interruption?

Deputy Mary Lou McDonald: The Ceann Comhairle did not intervene to protect me.

Deputy Aengus Ó Snodaigh: The Minister is encouraging us to interrupt her.

Deputy Joan Burton: -----an explanation in favour of complex situations of inter-community violence. We do not have time to discuss this matter in detail but, as a social democrat, I have always believed in the ballot box. I will not apologise to those in Sinn Féin for that. I am sure the other Deputies in the House are also of the view that they do not need to apologise to Sinn Féin.

Deputy Donnelly and others referred to core social welfare rates.

The social protection system plays a very significant role in protecting vulnerable families from the problems associated with low income, including indebtedness. Deputy O'Dea referred to the issue of the rates of at risk of poverty and the incidence of poverty in this country, which is of concern to all of us. The latest data shows that in 2010 the at risk of poverty rate for people living in households with children decreased from 49.4%, when all social transfers are included. This is a reduction of nearly 31% in the rate for at risk of poverty. This reduction is twice the average of almost every European Union country. It is a tribute to successive Governments and all the parties which have been in this House that difficult as our economic circumstances are, and verified by EUROSTAT, our at risk of poverty rate is among the lowest in Europe because of the impact of social transfers introduced by a series of different Administrations over the years. This demonstrates the role played by social transfers and social welfare in protecting people from poverty.

I ask the House to reflect on two statistics as we debate these issues. The first statistic shows that 22% of households are jobless. Children who grow up in households headed by adults without a meaningful connection to the world of work, are the children most at risk of poverty. This country needs to develop a strategy which will transform the situation in jobless households so that one or all the adults are at work. The second statistic shows that 16% of the adult population of working age are in receipt of either an illness, disability or invalidity payment. Like the 22% of jobless households, the 16% of the adult population who are categorised as being unable to work, is one of the highest rates in Europe. In the case of people who are ill or who have a disability, we have a job of work to help people in those categories to get back to work. As Deputies on all sides of the House said, most people, regardless of health and other circumstances, want to be able to participate in employment at the level appropriate to their capabilities.

The best way to take people out of poverty is to have them in work. Some of the savings achieved by the implementation of the measures contained in this Bill will be redirected to provide additional spending in the key areas of job supports and child care supports. An addi-

tional €14 million will be allocated for after-school child care places targeted at primary school children. The places are aimed at low-income families in which the parents are availing of an employment opportunity. This initiative is part of the Government's overall strategy to support parents in low-income families to take up employment and to solve the problem of the extraordinarily high number of jobless households. In response to Deputy O'Dea during the debate yesterday, I said that I cannot understand how the number of jobless households in Ireland increased from under 10% to 15% at the height of the boom. No one has given an explanation for this increase.

I agree with Deputy O'Dea's point about child benefit. I suggest if he reads my contributions at the time he will see that I agreed with the then Fianna Fáil Minister for Finance. I was a strong supporter of the early childhood payment scheme. In my view, we need to rebalance the social welfare system to provide more opportunities and more services for children, in addition to direct cash payments. The Deputy put it well when he said that he would have preferred that approach although it was not always followed. Deputy Joe O'Reilly said because of his experience as a teacher he was very conscious of the effects of in-school supports for children, such as our proposals for the expansion of the provision of hot meals in schools and the extension of services for children at risk of poverty in disadvantaged areas. Deputy Adams will be familiar with the practice in the North and in the United Kingdom. Instead of a multiplicity of agencies and social workers all knocking at the same door, the service is consolidated to bring all the agencies together in partnership. Various voluntary agencies in the South have worked in this way. The approach has borne great fruit in Deputy O'Dea's own city and in different parts of Dublin, particularly in Ballymun. We want to expand that initiative to other areas in the Republic. I expect all Deputies to support it. I commend the Bill to the House.

Amendment put:

| The Dáil divided: Tá, 88; Níl, 51. | |
|------------------------------------|------------------------|
| Tá | Níl |
| Bannon, James. | Adams, Gerry. |
| Barry, Tom. | Boyd Barrett, Richard. |
| Burton, Joan. | Broughan, Thomas P. |
| Butler, Ray. | Browne, John. |
| Buttimer, Jerry. | Calleary, Dara. |
| Byrne, Eric. | Collins, Niall. |
| Byrne, Catherine. | Collins, Joan. |
| Carey, Joe. | Colreavy, Michael. |
| Coffey, Paudie. | Cowen, Barry. |
| Conaghan, Michael. | Crowe, Seán. |
| Conlan, Seán. | Daly, Clare. |
| Connaughton, Paul J. | Doherty, Pearse. |
| Conway, Ciara. | Donnelly, Stephen S. |
| Coonan, Noel. | Dooley, Timmy. |
| Corcoran Kennedy, Marcella. | Ellis, Dessie. |
| Coveney, Simon. | Ferris, Martin. |
| Creed, Michael. | Flanagan, Luke 'Ming'. |

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| Daly, Jim. | Fleming, Tom. |
| Deenihan, Jimmy. | Fleming, Sean. |
| Deering, Pat. | Grealish, Noel. |
| Doherty, Regina. | Halligan, John. |
| Donohoe, Paschal. | Healy, Seamus. |
| Dowds, Robert. | Healy-Rae, Michael. |
| English, Damien. | Kelleher, Billy. |
| Farrell, Alan. | Kirk, Seamus. |
| Feighan, Frank. | Kitt, Michael P. |
| Fitzgerald, Frances. | Lowry, Michael. |
| Fitzpatrick, Peter. | McConalogue, Charlie. |
| Flanagan, Charles. | McDonald, Mary Lou. |
| Gilmore, Eamon. | McGrath, Michael. |
| Griffin, Brendan. | McGrath, Mattie. |
| Hannigan, Dominic. | McGrath, Finian. |
| Harrington, Noel. | McGuinness, John. |
| Harris, Simon. | McLellan, Sandra. |
| Hayes, Tom. | Martin, Micheál. |
| Hayes, Brian. | Murphy, Catherine. |
| Heydon, Martin. | Nulty, Patrick. |
| Hogan, Phil. | Ó Caoláin, Caoimhghín. |
| Howlin, Brendan. | Ó Cuív, Éamon. |
| Humphreys, Kevin. | Ó Snodaigh, Aengus. |
| Humphreys, Heather. | O'Brien, Jonathen. |
| Keating, Derek. | O'Dea, Willie. |
| Keaveney, Colm. | O'Sullivan, Maureen. |
| Kehoe, Paul. | Pringle, Thomas. |
| Kelly, Alan. | Ross, Shane. |
| Kenny, Seán. | Shortall, Róisín. |
| Kyne, Seán. | Smith, Brendan. |
| Lawlor, Anthony. | Stanley, Brian. |
| Lynch, Ciarán. | Tóibín, Peadar. |
| Lynch, Kathleen. | Troy, Robert. |
| Lyons, John. | Wallace, Mick. |
| McCarthy, Michael. | |
| McEntee, Shane. | |
| McGinley, Dinny. | |
| McHugh, Joe. | |
| McLoughlin, Tony. | |
| McNamara, Michael. | |
| Maloney, Eamonn. | |
| Mathews, Peter. | |

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| Mitchell O'Connor, Mary. | |
| Mulherin, Michelle. | |
| Murphy, Dara. | |
| Murphy, Eoghan. | |
| Neville, Dan. | |
| Nolan, Derek. | |
| Ó Ríordáin, Aodhán. | |
| O'Donnell, Kieran. | |
| O'Donovan, Patrick. | |
| O'Mahony, John. | |
| O'Reilly, Joe. | |
| Perry, John. | |
| Phelan, John Paul. | |
| Phelan, Ann. | |
| Rabbitte, Pat. | |
| Reilly, James. | |
| Ring, Michael. | |
| Ryan, Brendan. | |
| Shatter, Alan. | |
| Sherlock, Sean. | |
| Spring, Arthur. | |
| Stagg, Emmet. | |
| Stanton, David. | |
| Timmins, Billy. | |
| Tuffy, Joanna. | |
| Varadkar, Leo. | |
| Wall, Jack. | |
| Walsh, Brian. | |
| White, Alex. | |

Tellers: Tá, Deputies Emmet Stagg and Paul Kehoe; Níl, Deputies Aengus Ó Snodaigh and Seán Ó Feargháil.

Question declared carried.

Amendment declared lost.

10 o'clock

An Ceann Comhairle: I declare the Bill to be read a Second Time in accordance with Standing Order 125(2)(i).

12 December 2012

An Ceann Comhairle: When is it proposed to take Committee Stage.

Deputy Paul Kehoe: Now.

An Ceann Comhairle: Is that agreed?

Deputies: No.

Question put: "That Committee Stage be taken now".

The Dáil divided by electronic means.

Deputy Aengus Ó Snodaigh: As a Teller in the previous vote, I would like to give an opportunity to those in the Labour Party, in particular, and those in Fine Gael who-----

(Interruptions).

Deputy Finian McGrath: Show respect for the speaker.

An Ceann Comhairle: Please allow Deputy Ó Snodaigh to make his point.

Deputy Aengus Ó Snodaigh: We can speak all night if the-----

Deputy Emmet Stagg: If the Deputy wins the vote, he will-----

(Interruptions).

Deputy Aengus Ó Snodaigh: Even better. If you want-----

An Ceann Comhairle: I ask the Deputy to address his remarks through the Chair.

Deputy Emmet Stagg: The Deputy does not know what he is looking for.

Deputy Aengus Ó Snodaigh: We are just hearing more blather from the Labour Party who want to close down the debate. If Deputies want the opportunity-----

An Ceann Comhairle: What does the Deputy want to do?

Deputy James Bannon: Give us a printout.

Deputy Aengus Ó Snodaigh: -----to cast their votes again in order that their consciences would be clean and that they do not have to go on the walk of shame, I give them that opportunity to vote by other than electronic means.

Deputy Derek Keating: The printers are ready.

Deputy Finian McGrath: Calm down, Deputy.

Question put: That the words proposed to be deleted stand part of the main Question.

| The Dáil divided: Tá, 87; Níl, 52. | |
|------------------------------------|------------------------|
| Tá | Níl |
| Bannon, James. | Adams, Gerry. |
| Barry, Tom. | Boyd Barrett, Richard. |

Dáil Éireann

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|-----------------------------|------------------------|
| Burton, Joan. | Broughan, Thomas P. |
| Butler, Ray. | Browne, John. |
| Buttimer, Jerry. | Calleary, Dara. |
| Byrne, Catherine. | Collins, Joan. |
| Byrne, Eric. | Collins, Niall. |
| Carey, Joe. | Colreavy, Michael. |
| Coffey, Paudie. | Cowen, Barry. |
| Conaghan, Michael. | Crowe, Seán. |
| Conlan, Seán. | Daly, Clare. |
| Connaughton, Paul J. | Doherty, Pearse. |
| Conway, Ciara. | Donnelly, Stephen S. |
| Coonan, Noel. | Dooley, Timmy. |
| Corcoran Kennedy, Marcella. | Ellis, Dessie. |
| Coveney, Simon. | Ferris, Martin. |
| Creed, Michael. | Flanagan, Luke 'Ming'. |
| Daly, Jim. | Fleming, Sean. |
| Deenihan, Jimmy. | Fleming, Tom. |
| Deering, Pat. | Grealish, Noel. |
| Doherty, Regina. | Halligan, John. |
| Donohoe, Paschal. | Healy, Seamus. |
| Dowds, Robert. | Healy-Rae, Michael. |
| English, Damien. | Kelleher, Billy. |
| Farrell, Alan. | Kirk, Seamus. |
| Feighan, Frank. | Kitt, Michael P. |
| Fitzgerald, Frances. | Lowry, Michael. |
| Flanagan, Charles. | McConalogue, Charlie. |
| Gilmore, Eamon. | McDonald, Mary Lou. |
| Griffin, Brendan. | McGrath, Finian. |
| Hannigan, Dominic. | McGrath, Mattie. |
| Harrington, Noel. | McGrath, Michael. |
| Harris, Simon. | McGuinness, John. |
| Hayes, Brian. | McLellan, Sandra. |
| Hayes, Tom. | Martin, Micheál. |
| Heydon, Martin. | Murphy, Catherine. |
| Hogan, Phil. | Nulty, Patrick. |
| Howlin, Brendan. | Ó Caoláin, Caoimhghín. |
| Humphreys, Heather. | Ó Cuív, Éamon. |
| Humphreys, Kevin. | Ó Fearghaíl, Seán. |
| Keating, Derek. | Ó Snodaigh, Aengus. |
| Keaveney, Colm. | O'Brien, Jonathan. |
| Kehoe, Paul. | O'Dea, Willie. |
| Kelly, Alan. | O'Sullivan, Maureen. |

12 December 2012

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| Kenny, Seán. | Pringle, Thomas. |
| Kyne, Seán. | Ross, Shane. |
| Lawlor, Anthony. | Shortall, Róisín. |
| Lynch, Ciarán. | Smith, Brendan. |
| Lynch, Kathleen. | Stanley, Brian. |
| Lyons, John. | Tóibín, Peadar. |
| McCarthy, Michael. | Troy, Robert. |
| McEntee, Shane. | Wallace, Mick. |
| McGinley, Dinny. | |
| McHugh, Joe. | |
| McLoughlin, Tony. | |
| McNamara, Michael. | |
| Maloney, Eamonn. | |
| Mathews, Peter. | |
| Mitchell O'Connor, Mary. | |
| Mulherin, Michelle. | |
| Murphy, Dara. | |
| Murphy, Eoghan. | |
| Neville, Dan. | |
| Nolan, Derek. | |
| Ó Ríordáin, Aodhán. | |
| O'Donnell, Kieran. | |
| O'Donovan, Patrick. | |
| O'Mahony, John. | |
| O'Reilly, Joe. | |
| Perry, John. | |
| Phelan, Ann. | |
| Phelan, John Paul. | |
| Rabbitte, Pat. | |
| Reilly, James. | |
| Ring, Michael. | |
| Ryan, Brendan. | |
| Shatter, Alan. | |
| Sherlock, Sean. | |
| Spring, Arthur. | |
| Stagg, Emmet. | |
| Stanton, David. | |
| Timmins, Billy. | |
| Tuffy, Joanna. | |
| Varadkar, Leo. | |
| Wall, Jack. | |
| Walsh, Brian. | |

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| White, Alex. | |
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Tellers: Tá, ; Níl, .

Question declared carried.

Social Welfare Bill 2012: Committee Stage

SECTION 1

An Ceann Comhairle: Amendments Nos. 1, 23 and 24 are related and will be discussed together.

Deputy Aengus Ó Snodaigh: I move amendment No. 1:

In page 3, subsection (1), line 11, after “Welfare” to insert “, Pensions and Miscellaneous Provisions”.

The amendment might look simple but ultimately it would capture something of the purpose of the Bill, which is not simply to amend the Social Welfare Acts. In the definitions the Redundancy Payments Act is referred to and several other issues have been thrown into the pot with this Bill, including other provisions not specifically in the Social Welfare Bill but which should have been included. These include changes or cuts announced by the Minister in the budget which do not require primary legislation.

I have tabled several amendments, some of which, regrettably, have been ruled out of order. Some were definitions to set down the back-to-school clothing and footwear allowance and the back to education allowance in the legislation to ensure that in future years or even this time around the Minister would have to introduce a specific change that could be debated in the Parliament.

For the information and benefit of Deputies, I will list the amendments that the Ceann Comhairle has ruled out of order. Amendments Nos. 2, 4 and 5, 7 to 10, inclusive, and 15 and 16 have all been ruled out of order.

I am suggesting that this be called a miscellaneous provisions Bill because I had intended to insert a social welfare amnesty provision. The Minister referred to this in her closing comments on Second Stage. Regrettably, the Ceann Comhairle has ruled it out of order and as a result a discussion on the specific proposal cannot take place, but it is a cost saving measure which we have costed and which, I believe, should have been included and would have ensured that at least one of the cuts the Minister is proposing need not go ahead within the confines of her arithmetic, although not within the confines of the arithmetic we have put forward.

Other changes need to be brought to people's attention, including what the Minister has indicated in her list of amendments. There are usually technical amendments when a Bill is rushed and one misses a comma here or a full stop there. However this time in her haste to publish the Bill and rush it through the House the Minister has forgotten one or two things. She has decided to implement a major change with one Committee Stage amendment, that is, to get rid of one of the key victories of the working classes held for many years, the fact that Sunday has been recognised as a day of rest. It is no longer recognised as such in terms of jobseeker's benefit. This is one of the changes the Minister proposes to insert in the legislation. We will come back to it at a later stage if time allows but the debate will be truncated given that it is expected to be guillotined tomorrow at 2 p.m.

Before I am misrepresented, I do not intend to labour on this amendment. I want to get to some of the amendments which are severely odious and I wish to debate them properly across the floor of the House, back and forth as Committee Stage allows. One amendment relates to the one-parent family payment for which there has been some small but welcome respite. I have no problem welcoming it when I see a progressive measure. The problem is that it is only a short respite: it is not as long as it should be. A third amendment relates to household budget, by nature a miscellaneous matter, and this should be included in the description I have to capture it. This might seem like a progressive measure but there are major dangers relating to deducting any payments from social welfare. Given the dangers I would have preferred a longer debate to tease it out in a proper committee but I do not believe we will have the time.

These are not the only changes. The Minister has also suggested a change in terms of deducting the overpayments at a higher rate. Let us suppose a person has received overpayments and has not paid back that payment and this is coupled with rent payments. This would leave such a person limited. Such a person is likely to be limited anyway but he would be even more limited in terms of the choice of what to do with his money on a weekly basis rather than a monthly basis. We will have that argument at a later stage.

This is the reason I have proposed the amendment. It is a miscellaneous provisions Bill although if the Ceann Comhairle or the rules of debate in the House had allowed me, I would not have used the term "miscellaneous provisions" - I would have suggested something more akin to "draconian provisions". Anyway, in the past when I have made such suggestions they have been ruled out of order for being mischievous or whatever. I am within the rules in using the term "miscellaneous provisions". Within the Bill there is a range of measures that are miscellaneous rather than specific to the social welfare code. I hope the Minister is listening. It also provides Deputies in the Chamber now with an opportunity to speak at an early stage about the other provisions in the Bill, including the cut in the respite care grant. While there has been some debate on that issue thus far, it is hoped there will be further discussion on it.

Few people, including those in the media, have to date commented on other changes such as the cut in entitlement to jobseeker's benefit by three months for some people because they might not qualify for jobseeker's allowance given that it is to become a means tested payment. This will affect people who have paid into the social insurance scheme on the understanding that they would get the benefit for the period allowed. We have heard much about the other changes. It is a pity that the Minister proceeded with the cut to child benefit for a second year prior to publication of the report which she indicated she was eagerly awaiting. The Bill also provides for changes to voluntary contributions and the farm assist payments, which are major changes that should not be included in this Bill.

Welfare is supposed to protect and support people. Rather than supporting people, this legislation undermines their ability to survive out of poverty. The Minister mentioned those at risk of poverty. It will be interesting at the end of next year to see how many people have been put at risk of poverty or are in poverty because of the provisions contained in this Bill. There are a number of other changes which, if time permitted, I would have suggested be included. The Bill was published on Monday last. I thank the officials for the briefing they provided to my staff on Monday, despite the time restrictions under which they operate. While I am somewhat understanding of the restrictions under which the Minister operates, she is the master of her own timetable. There is no reason for the Bill being rushed through in this way other than the timetable set by the Minister for the commencement of some of its provisions from 1 January rather than the end of March or April. In the past, social welfare changes came into effect in April and, often, June. Not all changes took effect from 1 January. This timetable has been set by the Minister. I regret that this Bill is being rushed through, which is also obvious from some of the ministerial amendments which propose major changes to the Bill. The Minister, perhaps, decided that as the Government is getting away with everything else people would not notice their inclusion in the Bill.

Deputy Willie O’Dea: I take this opportunity to again record my grievous annoyance at the way this Bill is being dealt with by Government. There is no reason ample time could not have been provided for us to debate these amendments in detail. What we are discussing are wide-ranging changes which will impact hugely on the lives of hundreds of thousands of people, yet less than one hour tonight and two hours tomorrow has been provided to debate them, which is regrettable. Regardless of the timetable in terms of these provisions having to come into effect on 1 January, we could have spent all day tomorrow and Friday on Committee Stage. I do not understand the Government’s unseemly haste to have Second Stage of the Finance (Local Property Tax) Bill 2012 done and dusted by 6 p.m. on Friday evening. The Revenue Commissioners will only begin implementing this measure some time in May or June next year, yet Second Stage of that legislation must be completed by 6 p.m. on Friday evening and Committee Stage is to be taken next Tuesday. This is clearly being done for political reasons, which I regret. It flies in the face of all the promises we heard about the new politics to be introduced following the election of this Government in terms of the way business in this House is done and the use of the guillotine. It does not appear new to me.

I do not have any strong views in regard to these amendments. As stated by Deputy Ó Snodaigh, the Bill deals with more than social welfare. Perhaps the wording of the Bill would be improved if these amendments were accepted. I am not sure. I look forward to hearing what the Minister has to say about them.

Minister for Social Protection (Deputy Joan Burton): I do not propose to accept these amendments. I am informed by the office of the Parliamentary Counsel that the Title, namely, the Social Welfare Bill 2012, is sufficient in terms of the various provisions therein. The proposed amendments, including those in the name of Deputy Ó Snodaigh, are also covered by the Title. In the circumstances, there is no need to include a reference to “Miscellaneous Provisions” in the Title.

A reference to “pensions” in the Title is only required where there are amendments to the Pensions Act 1990 included in the Bill, namely, changes to occupational and private pension schemes. The amendments to the social welfare pension schemes included in this Bill are encompassed in the general Title “Social Welfare Bill”. As no amendments to the Pensions Act are proposed in this Bill, a reference to “pensions” in the Title is not required.

Deputy Ó Snodaigh made specific reference to a number of amendments, which I hope we will have an opportunity to discuss in some detail later. There is a proposal in the Bill regarding the deduction of payments through the Post Office household budgeting facility. I would like to explain this to Deputy Ó Snodaigh, with whom I recall having a discussion on this issue early in the lifetime of this Government. The Deputy will be aware that where a person obtains tenancy through a local authority, under RAS or otherwise, he or she is often asked by that local authority, including the one in Dublin city, to sign up to the household budgeting system via An Post and is happy to do so. However, as referred to by the Deputy, having signed up to pay the rent on a weekly or monthly basis through the budgeting system of the Post Office, which is a good facility and is a good use of the services of the post office, people often sign off without any reference to the local authority.

Many members will previously have been members of a local authority and will be aware of the large build up of arrears down through the years in some local authorities. Deputy Ó Snodaigh and I have on a previous occasion discussed what happens when people get into rent arrears, in particular with a large local authority such as that in Dublin. This often leads to very difficult situations for families and women, who often manage payment of the rent. This provision provides that when a person is offered a tenancy he or she must agree to sign up to the household budgeting system and can only sign off from it with the agreement of the local authority. The purpose of this is to reduce the risk of large arrears being built up, which is a reasonable objective. Deputy Ó Snodaigh will be aware that where people build up large arrears this can lead to other problems in the family, particularly for women who are managing on tight budgets. It often leads to the situation whereby because the family is in arrears it is not entitled to be considered for transfer to larger accommodation as the family grows. I recall that I discussed this matter with Deputy Ó Snodaigh on a previous occasion. It was challenging to draft this and get the agreement of the Office of the Attorney General because, of course, people have to agree to an arrangement for payment. My impression during previous discussions was that the Deputy was quite in favour of this. Almost everyone in this Chamber, including myself, has formerly been a member of a local authority and is very aware of the problems that arise for families when large rent arrears build up. This is actually meant to be helpful to families and I am not quite clear why Deputy Ó Snodaigh would have a problem with it.

On the question of overpayments, I have a disagreement with Sinn Féin. At the moment it is often possible to recover only €2 per week in arrears from the basic primary social welfare payment of an individual. The amendment I am proposing is to increase that to up to 15% of the primary social welfare payment of the individual who is in arrears. Therefore, if an individual is claiming jobseeker's allowance, for example, with an income of €188 and is also entitled to claim for a dependent spouse and children, the only payment that the arrears would be taken from is the primary payment of €188. The other payments relating to other people in the family would not be affected. Most Deputies know of situations in which people have been involved in significant abuse of the social welfare system. The money they owe can only be recovered at €2 per week and compliant people up and down the road in a local authority estate or on a landing in a flat complex find it deeply unacceptable that they are paying their rent and doing everything right while other people who have scammed the social welfare system only have to repay €2 per week. Furthermore, if such people repay extra, they can then go to their local community welfare service and recover any amount they have paid in excess of €2. This amendment aims to change that situation.

Where overpayments relate to errors or mistakes on the part of the Department, leeway is

provided. The 15% referred to is the upper limit. I am anxious to send out a message that if people owe money to the social welfare system, they will have to repay it at a reasonable rate. I believe that a rate of up to 15% of the individual's primary payment, but not any other payments in respect of children, dependent spouses or other adults in the household, is a reasonable arrangement. It would max out at about €26. This would send out a strong signal. At the moment, the Department of Social Protection is owed, according to the recent report from the Comptroller and Auditor General, somewhere in the region of €350 million because of fraud, overpayments and so forth. I do not think it is realistic to expect that we will be able to recover most of that but if we could recover even half of it over a three- to five-year period, it would take the pressure off other areas of the social welfare budget. It would mean that the pressure regarding payments to carers, about whom many Deputies have spoken tonight, pensioners and others would be eased. If we could recover €175 million over three to five years, we could recover anywhere between €20 million and €30 million per year. Also, as overpayments occur and we become aware of them in the future, we will be able to recover the money in a timely manner. Deputies will know of situations in which the build-up of arrears plunges families into deep difficulties, but if we are able to recover the overpayments in a timely fashion, this will reduce problems for families. If money has been defrauded from the system we need to recover as much of it as possible, if not all. Where money has been overpaid by mistake or in error, we also need to recover it so that it can be used in other areas such as those of carers and pensioners, about whom Deputies spoke so convincingly tonight.

Deputy John Halligan: I wish to make a suggestion related to the issue of arrears. In my constituency, if people get into arrears with Waterford City Council, after a few weeks they are obliged to go the Money Advice and Budgeting Service, MABS, which stops arrears from building up over a long period. Perhaps the Minister could place such an obligation on those who run into difficulties. I understand that there is fraud within the social welfare system, and I do not condone that, but there are many people who have difficulties with money management. I propose that the Minister recommend that all local authorities encourage people to contact MABS at an early stage when they run into arrears. I also urge her to revisit the MABS budget because it does tremendous work. The number of people using the service has quadrupled in recent years and it could do with extra funding. The valuable work it does in terms of money management could stop arrears from building up. It would be simple to instruct the councils to meet those who get into arrears at a very early stage and make an appointment with MABS on their behalf. MABS would be delighted to get involved and the Department would save a lot of money in the longer term by preventing arrears from building up.

Deputy Aengus Ó Snodaigh: I did not expect to be dealing with these amendments so early in the proceedings but seeing as the Minister has elaborated on them-----

Deputy Willie O'Dea: I was just about to make the same point. I thought we were dealing with Deputy Ó Snodaigh's amendments.

Deputy Aengus Ó Snodaigh: I think the Minister was responding to me on the issues I raised.

Deputy Joan Burton: My apologies; I was a bit confused. I thought the Deputy was raising a substantive amendment.

An Leas-Cheann Comhairle: For the record, we are dealing with amendments Nos. 1, 23 and 24, which are related and may be discussed together.

Deputy Aengus Ó Snodaigh: Yes. They relate to the insertion of the phrase “Pensions and Miscellaneous Provisions”. I accept the Minister’s argument about the inclusion of the word “pensions” but redundancy payments do not relate to social welfare. They are dealt with in the Redundancy Payments Acts, which are not referred to in the principal part of this Bill. That is part of the argument here and, as I have said, a range of issues have been included. I am not too pushed about the amendment being accepted because the Bill has the same effect regardless of whether it is called the Social Welfare Bill or the Social Welfare, Pensions and Miscellaneous Provisions Bill. Either way, it is a draconian Bill.

On the points raised by the Minister, I did not say I was opposed to the household budgeting measures. All I said was that I would prefer a longer period to discuss them. As the Minister acknowledged, these are technically challenging measures. Our experience in constituency offices and councils suggests that we could identify solutions to problems that may emerge in three or four years time.

This is a potential solution for people who may not be able to manage their money properly. We have, for example, asked that rent supplement be paid directly to the landlord. Similarly, some people cannot manage their social welfare payments fully because they are in distress, addicted or simply never learned to budget the little they have. That is the only argument I was making and I am not opposing the measure.

We do, however, put a different emphasis on overpayment and error. I recognise that overpayments should be recovered but I am being a realist in proposing an amnesty. The Minister admitted that it will not be possible to recover all of the money. At some stage the slate will be wiped clean and we are suggesting a line in the sand beyond which those who continue to commit fraud will suffer the full consequences. However, many of the overpayments are due to error. The Minister is introducing a penal regime which will take €28 from a payment of €188. That is a substantial amount given all the other changes affecting Irish society. Those who were wrong in taking overpayments should suffer the consequences and the State should recover what is owed to it but we should not put those who are at risk of poverty into poverty.

Deputy Willie O’Dea: For clarity, this issue is addressed in section 13. I take it that we will have an opportunity to debate that section. I tabled two amendments to section 13 but they were ruled out of order on the basis that they could constitute a charge on the Exchequer. The clause about a potential charge on the Exchequer is becoming a joke. The most liberal interpretation possible is being made about what could comprise a charge on the Exchequer.

An Leas-Cheann Comhairle: The Deputy can raise the issue when we reach section 13.

Deputy Joan Burton: He can also oppose the section. It is a decision of the Ceann Comhairle’s office.

Deputy Willie O’Dea: I understand that.

Deputy Joan Burton: Deputies Halligan and Ó Snodaigh share a common concern about preventing people from getting into arrears and debt. The allocation to the Citizens’ Information Board, including MABS, has increased by over €1 million for 2013 from €45.7 million to €46.8 million. I concur with Deputy Halligan about the valuable services that MABS supplies, including its assistance in getting people to begin saving money in credit unions.

The reason for recovering more than €2 per week is to deal with people who have been

scamming the social welfare system. For someone living beside tenants who have defrauded the system, €2 per week seems like a joke. The provision on recovering arrears allows for up to 15% recovery. Deputy O'Dea will know that in most streets in Limerick the tenants draw exactly the social welfare payments to which they are entitled. It is not fair on these individuals if others who cheat the system repay at a rate of €2 per week. The vast majority of people are honest about social welfare but if we discover that someone is scamming the system we will ask him or her to pay more than €2 per week. The recovery will take up to 15% of the primary payment for the individual concerned. That will work out at up to €28 out of €188 but it sends out a message that money taken from the system is money taken from the pockets of pensioners and those on disability payments. We will have enhanced powers to recover overpayments.

I was shocked on becoming Minister to find that arrears amounted to €350 million over a lengthy period of time. These arrears were referenced in all the reports of the Comptroller and Auditor General. As an accountant and a realist, I assume that much of this money will not be recovered but I want to send out the signal that we will be recovering arrears at a reasonable rate. Just as those who get local authority tenancies can pay through the household budgeting system, which is an enormous relief to most women who are responsible for paying rents, people will not get into arrears and they will be able to use the services of MABS in a more positive framework in terms of building savings in a credit union and borrowing at the kind of rates they can afford rather than falling into the hands of those who sell credit at expensive prices.

An Leas-Cheann Comhairle: How stands the amendment?

Deputy Aengus Ó Snodaigh: I withdraw it and we can discuss the issues arising if we ever reach the relevant section.

Amendment, by leave, withdrawn.

An Leas-Cheann Comhairle: Amendment No. 2 is out of order.

Amendment No. 2 not moved.

Deputy Joan Burton: I move amendment No. 3:

In page 3, subsection (4), line 17, to delete "*Section 13*" and substitute "*Sections 13, 15, 16 and 17*"

Section 1(4) of the Bill as published provides that the measures contained in section 13 relating to the recovery of overpayments by deduction from weekly social welfare payments will be brought into effect by way of a commencement order. It is my intention to commence these provisions early in the new year. I am proposing three Committee Stage amendments to the Bill to provide for the deferral of the dates at which the age reductions for one parent family purposes will take effect from the beginning of January 2013 and January 2014 until the beginning of July 2013 and July 2014, respectively; an amendment to the household budgeting facility in the case of local authority accommodation; and the taking into account of Sundays for the purpose of determining entitlement for jobseeker's benefit and allowance. The changes to the one parent family payment will come into effect from the beginning of January 2013. The amendments to the household budgeting facility and changes to jobseeker's benefit and allowance in respect of Sunday working will be brought into force by way of commencement order. It is my intention to commence these provisions early in the new year.

11 o'clock

Deputy Willie O'Dea: I welcome the change with regard to the starting date for the change affecting lone parents as this alleviates the situation slightly. However, I recall the Minister telling the Seanad last year that she would not make any further alterations in the age limits for children in respect of whom the mother can receive the lone parent's allowance, until such time as we had a Scandinavian-type child care system available in this country. With all due respect, while I welcome the postponement of the starting date, I do not think we will achieve a Scandinavian type child care system within those extra couple of months.

Deputy Aengus Ó Snodaigh: These are technical amendments to allow for future amendments. I will not delay on this now, but hopefully we will have time to focus in on these properly. This is why I have argued for a lot more time. These are very complex changes the Minister is suggesting for a whole range of issues. I do not believe we will have sufficient time tomorrow to debate them, unless the Minister asks the Government Whip and the Taoiseach to allow us more time. Tomorrow we will have from 11 a.m. until 2 p.m., just three hours, to discuss a huge range of highly complex issues which introduce substantial changes. I appeal to the Minister to do anything she can to allow for more time for this tomorrow.

Deputy Catherine Murphy: It is helpful that the change in the reduction to the qualifying age is being postponed, but commitments were made last year with regard to reducing the age of the youngest child. The situation in terms of child care for lone parents has not improved. The ideal situation would be that child care and jobs would be available. We are all aware that families most at risk of poverty are families where there is nobody in the household in work. Choosing to work is a Hobson's choice for the people we are discussing here, particularly where they do not have someone, such as a family member, available to assist with child care. In the absence of available child care for a seven year old, for example, what is a parent to do? It is untenable to leave young children without making proper provision for their care.

I know there is provision in the Social Welfare Bill for particular areas and that there will be some improvements. However, this problem is not confined to individual areas. Lone parents can be found in every town and village. Until there is some mechanism in place to assist them with child care, it is dangerous to make these changes. Are we suggesting children should be left at home on their own if there is no provision made for child care for them? I believed that when the commitments were given on this issue last year, there would be some debate conducted to ensure there would at least be reform that would provide for this, rather than just deferment of the commencement date.

Deputy Joan Collins: Last year, the reduction in the qualifying age of children for payments to lone parents was one of the most significant issues discussed in the Dáil. There was an outcry from all the children's organisations that this was happening and lone parent groups came out to protest at this change. The Minister, to stave off the attack on her Bill, gave a commitment that she would not make the changes in reducing the qualifying age unless we had Scandinavian style child care facilities in this country.

We see that an additional 6,000 child care places will be provided for after school primary children. This will probably help approximately 5,000 lone parents and people on low wages. This is not a Scandinavian style child care facility. What people expected to see was a complete reform of child care and of where and who it targeted. They expected change in care facilities for preschool, after school, primary school children, infants and even for children up to 15 years

of age, who still need a certain amount of care after school.

This proposal is not what people were expecting. We should make a big issue of this, because it does not deliver on the commitment made by the Minister. Now, the Minister is pushing back the starting date for six months to see if the money being pumped into providing the 6,000 additional child care places will work. If she discovers half way through the year that it is not working, will she push the start date back another six months? If this proposal is what the Minister suggests is Scandinavian child care, it is a joke. Most lone parents would say that.

Deputy Joan Burton: With regard to the situation in respect of lone parents, we had very detailed discussions on this last year. One of the most important reforms to the social welfare system is the effort to create a situation where lone parents here move to a situation that exists in most other European countries and also the North, where their exclusive status as lone parents ends as the child reaches schoolgoing age. As has been said, a range of child care facilities are available for these children, including both preschool and after school facilities. It is important we move to that situation and I want to see that happening along the lines of what is available in a number of other countries at affordable prices for parents.

The second big change in which I have been involved over the past year in terms of social protection has been the launch of the new type social welfare system. This is not a passive social welfare system which leaves people on social welfare indefinitely, leaving them alone without re-approaching them with opportunities such as education, training, work experience or work. We must change our social welfare system from a passive system to an active one. As Members know, most people on social welfare would like to get a job, or if they cannot get a job, they would like to get the education or training that will make them job ready when employment opportunities become available.

With regard to this amendment, this is the reason that where we have lone parents whose children will age out over a number of years, we want to have appropriate facilities available for parents returning to education, training and work. We also want to have a situation where we do this for parents in a way that is structured. I launched the first Intreo offices of the new social welfare activation model with the Taoiseach in Sligo a couple of months ago and there are now ten such offices operational throughout the country, some of which are in Dublin, including one in Kings Inn Street.

Essentially, what I want for lone parents whose children are surpassing the age at which their status in the social welfare system is defined exclusively by virtue of the parent being a lone parent, is to see their status change. I want to move to an approach that sees them as parents and children, rather than using the kinds of label we have used in this country for many good reasons for over 40 years. Parents should have a range of services. Their local social welfare officers should approach them to tell them in advance that a significant change is taking place. They should meet them to see how they can be helped to get back into education, training or work placement. We need to see how we can assist. That is what happens in many other countries across the EU. In that way, the social welfare offices and the Intreo offices will help people get to a new stage of opportunity in their lives. We have just started to roll out the first ten offices in full, and we will open a significant number of additional offices next year.

In this amendment, I have sought to allow more time to make those services available to people such as lone parents so they can avail fully of the services offered to them. That is the purpose behind the proposal in this amendment to put the date back by six months. In prac-

12 December 2012

tice, the new date will probably help parents because it means we will talk to them in May and June - before the school holidays - as they start to think about new opportunities in September and October, when their children will be at school. Deputy Joan Collins mentioned that we are expanding child care opportunities by more than 6,000 places, encompassing both preschool and after-school care, in a similar way to many other EU countries. The Deputy knows from her own constituency that after-school care is extremely popular with parents and children. It is very successful. By pursuing this model, we can copy many of the good things that are done in other countries. We can also examine the good practices that have developed in this country, particularly in many community and family centres. I hope we will get an opportunity to discuss this in greater detail at a later stage. I have set out the purpose of this amendment.

Deputy Catherine Murphy: The proposal to extend the timeframe is helpful. The Minister will accept that we are starting from a very low base. Those who will be required to sign on will no longer be regarded as lone parents. One cannot sign on unless one is available for full-time work, as opposed to part-time work. Those who do not get child care places will have a serious dilemma. When they sign on, they may well be offered places on Tús schemes, community employment schemes or education placements. What can they do with their children if they accept such offers, as they might well love to do, but they do not get child care places?

Deputy John Halligan: Yes.

Deputy Catherine Murphy: Will a place be available for every child who requires it on the commencement date targeted by the Minister? Will she have to come back to us to talk about the commencement, or will it happen automatically in the Department when the Minister signs the commencement order? This might be the only opportunity we have to argue that children could be put at risk by the State if those who are too young to be left without adult supervision do not get such supervision. That would not be something the State could stand over.

Progress reported; Committee to sit again.

The Dáil adjourned at 11.15 p.m. until 10.30 a.m. on Thursday, 13 December 2012.