



DÍOSPÓIREACHTAÍ PARLAIMINTE
PARLIAMENTARY DEBATES

DÁIL ÉIREANN

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

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DÁIL ÉIREANN

Déardaoin, 02 Bealtaine 2013

Thursday, 02 May 2013

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

Paidir.
Prayer.

Leaders' Questions

Deputy Micheál Martin: We read today that those who have health insurance are facing a further 15% hike in premiums from 1 July. This means that the average premium for two adults and two children will have doubled in the past three years, to €2,500. The hike about to come in is the result of legislation that is coming in July. The Government wants to raise €60 million and wants to charge the full cost for private patients using the public health system. In essence, it is putting an unsustainable burden on individual families. Subscribers pay their taxes and under the 1970 Health Act, they are entitled to treatment in acute hospitals. They pay a second contribution through health insurance.

The problem is fundamentally that the continual price hikes are threatening the sustainability of the health insurance market. The Health Insurance Authority estimates that 90,000 will leave in 2014 and 68,000 left in 2012. Approximately, 6,000 a month are leaving the health insurance market. Given that there is a community rating system which depends on younger subscribers cross-subsidising older users of the system, it is clear that it is the younger members who are not taking up the premiums or are leaving and that this is placing significant strains on the sustainability of the health insurance market. This is in the context of the universal health insurance model or the Dutch model that was proposed by the Minister for Health, Deputy Reilly, and the Taoiseach before the last election. We are nowhere near the realisation of that. No White Paper has been published.

Does the Tánaiste accept that the position is not sustainable and we are in the beginning of a cycle that could spell the death-knell for the private health insurance market? I am not saying that, analysts are saying it. The Health Insurance Authority is putting out warnings in that regard. Something must happen in terms of the overall plan to intervene to stop what is, in essence, a debt spiral in the health insurance market.

The Tánaiste: What is being proposed is that the cost of a public bed in a public hospital should be chargeable to the insurance company where there is insurance involved. As we all will be aware, the private health insurers charge for everything - the consultant, the anaesthetist and, if it is a private bed, the bed - but at present the hospital cannot charge for the use of the public bed, and that is what is being proposed.

As Deputy Martin stated, the amount of money it is proposed that will raise is €60 million this year. Against a total pay-out by the insurance industry of €2.2 billion, €60 million does not amount to a 15% increase in premiums, even if it were passed on. There are greatly exaggerated statements being made about that.

The Government is undertaking a major reform of the health services to reduce the cost of delivering them. The Minister for Health will shortly bring forward his proposals on hospital groups which will streamline services for patients and the Minister of State, Deputy Alex White, is overseeing a chronic illnesses programme which will see patients treated more cost-effectively in primary care settings rather than expensive hospital settings. We are doing this also, of course, while having to reduce the budget for the health services due to the state in which the Government of which Deputy Martin was a Minister left the country.

Private inpatients in public hospitals are subject to maintenance charges, that generally range from €586 to €1,046 per day, when they are accommodated on a private or semi-private basis and this charge is separate to the private consultant fees which a patient also pays. Approximately 20% of beds in public hospitals are designated as private beds. The other beds are designated as public beds, with the exception of a small number of beds which are not designated. If a private designated bed is not available and a private inpatient is accommodated in a public bed, the maintenance charge is not levied. As a result of this practice, hospital maintenance charges are not payable by private inpatients occupying public designated beds or non-designated beds. The change, which is being proposed and which is in the draft legislation which is coming forward, is to provide for the charging of the public beds. That makes sense. If the hospital can charge for the private bed, it ought to be able to charge for the public bed rather than having the entire cost of that fall on the taxpayer.

Deputy Micheál Martin: The public hospitals have always charged health insurance companies. What is proposed now is that it will be the full cost. The problem is that it is being done in a vacuum and without any overall solution coming forward in terms of the issues that face the funding of the overall health service.

People pay their taxes. The average health insurance subscribers are taxpayers. They are not super-wealthy persons. They are average families that have taken out health insurance. That has been a tradition. It has been part of the system for a long time.

Many will be surprised at the Tánaiste's description of the price hikes as being exaggerated. This is the third hike that will happen this year. Subscribers are feeling it. They will be amazed at the idea that somebody thinks that the price hikes in health insurance are somehow exaggerated.

The Tánaiste: That is not what I said.

Deputy Micheál Martin: Some 6,000 subscribers are leaving a month. Some 90,000 will leave between now and 2014 and 68,000 left in 2012.

Deputy Pat Rabbitte: Do we not know why?

An Ceann Comhairle: The Tánaiste will reply. Deputy Martin should make his point.

Deputy Micheál Martin: With respect to the Minister, Deputy Rabbitte, it is Leaders' Questions. He was leader once, he is not now. I would appreciate that I would be allowed to

ask the Tánaiste the question.

An Ceann Comhairle: I thank Deputy Martin and ask him to proceed.

Deputy Micheál Martin: The people were promised that there would be a universal health model introduced. They were promised the Dutch model. There has not even been a White Paper in that regard. People were promised the sun, the moon and the stars and that this would be a painless approach to accessing health services and funding health services. The Dutch model was held out as the great solution to all our ills. We still do not know whether people who have health insurance now would pay less under the Dutch model or whether people on medical cards would be paying more. Where do the 20% stand who have neither health insurance nor the medical card?

Deputy Bernard J. Durkan: The Deputy walked away from the Department of Health and Children.

Deputy Micheál Martin: In the meantime the point I am making is the centre cannot hold. I am not alone in saying this. The Health Insurance Authority has warned that the sustainability of the market is at risk.

Deputy Kathleen Lynch: Did the Deputy read that one?

Deputy Micheál Martin: Other analysts are saying that the market is heading into a death spiral because of adverse selection risks. Essentially, younger people are leaving in their droves and are not there to cross-subsidise older members of the health insurance market and we are heading into a significant downward cycle that needs to be addressed. All we have been told is that it will be 2016 or 2017 before we can even contemplate universal health insurance. There is a genuine issue that demands a meaningful substantive response as opposed to just the politicking that goes on.

Deputy Pat Rabbitte: The Deputy's reading has improved since he went into opposition.

Deputy Dara Calleary: He probably printed it.

The Tánaiste: I did not say that the increases in health insurance premiums are exaggerated. The increases in health insurance premiums for families are staggering and there is a major issue in that regard. I said that the charging for public beds in public hospitals as proposed will yield €60 million this year on a total payout of €2.2 billion by the insurance companies. No matter how the sums are done that does not amount to a 15% increase in premiums. Those who suggest that are exaggerating the impact of charging the insurance companies for the use of public beds. That is what I said and the Deputy chose to twist it-----

Deputy Dara Calleary: The Tánaiste is good at that himself.

The Tánaiste: -----to make a political point.

Let us be clear about what I am saying. There are issues the insurance companies need to address. There are issues relating to their cost base and there are issues relating to the very high level of other charges that are charged to the insurance companies, including hospital charges, charges by professionals, etc., which need to be addressed. Anybody who has got a bill from a health insurance company knows that well.

I disagree with my colleague, the Minister, Deputy Rabbitte, that Deputy Martin's reading has improved - it has not. On 15 February, the Minister, Deputy Reilly, published a paper, *The Path to Universal Healthcare: A Preliminary Paper on Universal Health Insurance*. Contrary to the claim the Deputy just made-----

Deputy Micheál Martin: That is not the White Paper.

The Tánaiste: -----it provides a comprehensive update on the progress achieved to date and sets out the main actions.

Deputy Micheál Martin: That is not the White Paper.

The Tánaiste: It does not matter what it is called.

Deputy Micheál Martin: The Minister, Deputy Reilly, said a White Paper - he has been promising it for two years.

The Tánaiste: It sets out the progress made to date and the main actions to be done.

Deputy Micheál Martin: The Tánaiste's defence of the Minister, Deputy Reilly, is as consistent as ever.

The Tánaiste: A policy paper, *Money Follows the Patient: A Policy Paper on Hospital Financing*, was recently published. The Government is making progress on the policy of implementing universal health insurance. It was never claimed that it was something that could be introduced overnight. The transition to universal health insurance is-----

Deputy Micheál Martin: A long one.

The Tánaiste: -----a programme that will take time to achieve as the Deputy well knows.

Deputy Micheál Martin: It will never happen.

Deputy Mary Lou McDonald: If the updated stability programme the Government published during the week showed anything, it is that austerity is not working. Yet again it has been forced to revise down growth forecasts and revise upwards unemployment projections. Throughout Europe, people are waking up to the reality that austerity is not working. I note today President Higgins is the nation's voice.

An Ceann Comhairle: No. We do not go there. The Deputy should not go there with regard to the President. We do not discuss the President in Dáil Éireann.

Deputy Mary Lou McDonald: Citizens in the real world have been pushed to breaking point and now the Government has advised them that two more years of austerity are on the way. The stealth taxes, the family home tax, cuts to child benefit and taxing maternity benefit all have a real impact on low and middle-income families. People need a break. If the State is due to meet the deficit targets with €1 billion or more to spare, this money needs to be used to give people a break and ease the burden on citizens.

Deputy Derek Nolan: The Deputy is contradicting herself.

Deputy Mary Lou McDonald: I wish to highlight one section of people who are suffering, the carers. Perhaps the most mean-spirited cut in the last budget was the €300, 19%, cut in

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the respite care grant. At the time of the budget the Government could not defend on any level that nasty cut and to this day nobody with a bone of decency in them could stand over it. The cut, which will save the State only €26 million in total, has caused real hardship for the 70,000 families in receipt of it. Why does the Government not use the breathing space it has advised us we have to reverse the cut to the respite care grant? It is only €26 million and the Government claims we will have €1 billion in advance of targets. Can the Government give the carers some comfort and respite by reversing that cut?

The Tánaiste: There would be no breathing space if the Government had followed the prescription advocated by Sinn Féin.

Deputies: Hear, hear.

The Tánaiste: When the Government was formed, the Sinn Féin leader proclaimed that the IMF should go home and take its money with it.

(Interruptions).

An Ceann Comhairle: Sorry, please-----

The Tánaiste: If that had happened there would have been five months' money left to pay for all public services in circumstances where at the stage when we came into government the country was not able to borrow on the private markets.

Deputy Micheál Martin: The deal was done before the Government came in to office.

The Tánaiste: I do not know what it would have recommended that we would do for money.

We now have some breathing space because of the way the Government has managed the country's finances and the economy. We are making a recovery, which was very adequately demonstrated this week with the numbers of new job announcements. The creation of jobs is at the root of economic recovery. Another 100 jobs were announced in Waterford today and 100 announced yesterday in Dublin. Some 1,600 jobs were announced for the Glanbia development. There will be approximately 1,000 jobs on the development of the M7 and N11 which have also been announced. That is how we will get economic recovery.

There is a debate throughout Europe about the economic strategy to be pursued. Austerity, as the Deputy calls it, is not some kind of choice. The Government needs to ensure we have a solvent country that can pay its way. It is unfortunate that as a country we are still borrowing approximately €1 billion a month to pay our way. Nobody is in any doubt that we need to get the deficit down unless they live some kind of fairytale existence as Sinn Féin members seem to do. The recovery that needs to come about is not a recovery based solely on budget adjustment. That is obviously part of it because we need to get the deficit down. It is also based on creating the circumstances for investment in the country with jobs created and we grow our way out of it. That is the Government's strategy.

Deputy Mary Lou McDonald: Really.

The Tánaiste: That is the strategy the Government has been advocating at a European level and I am glad to see that more are taking heed of that and that European policy overall is adjust-

ing more to the strategy we have been advocating for some time.

Deputy Mary Lou McDonald: The Government's problem is that it has again had to adjust downwards the growth projections. That gives the lie to the claim that its strategy is working. The Government has also had to revise upwards the unemployment projections, so the Tánaiste should not come in with his own fairytale that all is well, because it is not. By the way, nobody ever contested the fact the budget deficit had to be tackled. We produced proposals to do precisely this, but in a different way.

Deputy Eric Byrne: Darby O'Gill economics.

Deputy Mary Lou McDonald: Whatever about the Tánaiste's fairytale-----

Deputy Patrick O'Donovan: It was some fairytale on "Prime Time" the other night.

Deputy Mary Lou McDonald: -----it is no fairytale for carers because home help hours have been cut by more than 1 million hours in the system in 2012 and prescription charges have increased, but the salt in the wound was the mean cut to the respite grant of €300, or almost 20%, which would yield a saving of €26 million.

An Ceann Comhairle: Thank you.

Deputy Mary Lou McDonald: The Tánaiste boasted about the breathing space, so he should use it, and when he stands up again I ask him please to address the issue of carers and the respite grant. It might interest him to know carers have launched a campaign, Give Carers a Break, which sets out in very stark terms the effect this cut to the respite grant has had.

An Ceann Comhairle: We cannot go through it today.

Deputy Mary Lou McDonald: The campaign video features Carolyn, who cares for her mother, and Antoinette and Sam, who care for their daughter and sister respectively.

An Ceann Comhairle: Thank you, Deputy.

Deputy Mary Lou McDonald: They set out in very clear and real terms - there are no fairytales - the effect this particular cut to the respite grant has had on their lives.

An Ceann Comhairle: Thank you.

Deputy Mary Lou McDonald: They have cut back on heating and food. This is real material damage to the lives of carers and those for whom they care.

An Ceann Comhairle: Thank you.

Deputy Mary Lou McDonald: I ask the Tánaiste very simply to reverse this particular cut. It is only one of the cuts which has hurt carers.

An Ceann Comhairle: Thank you. I call the Tánaiste.

Deputy Mary Lou McDonald: For €26 million I ask the Tánaiste to reverse this cut, which I do not believe he could ever stand over, even in the budget.

An Ceann Comhairle: I ask Deputies to respect the Chair and the time restraints I must impose.

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The Tánaiste: I do not need any lecture from Deputy McDonald-----

Deputy Brian Stanley: It was a question.

The Tánaiste: -----on the important work carers do.

Deputy Mary Lou McDonald: That is why you have cut them, is it?

The Tánaiste: I have some personal experience of it, so please do not give us this type of pompous lecture.

Deputy Joe Higgins: Then stop the cuts.

The Tánaiste: The work carers do is hugely important and valued, which is why the Government, unlike its predecessor, has published a carer's strategy. This is why Ministers in the Government work to support carers and will continue to do so.

I am glad to hear Deputy McDonald state, and it is the first time I have heard it from Sinn Féin, that she now accepts the target of reducing the deficit to 3% by 2015-----

Deputy Mary Lou McDonald: Then your listening skills are poor.

Deputy Brian Stanley: Where have you been for the past three years?

The Tánaiste: -----because Sinn Féin has not been saying this.

Deputy Mary Lou McDonald: We have. We do it every budget cycle.

The Tánaiste: It will be interesting to see what proposals come from Sinn Féin in the run-in to the 2014 budget. I look forward to seeing them.

Deputy Mary Lou McDonald: What about the respite grant?

The Tánaiste: I have answered the Deputy on the respite grant.

Deputy Mary Lou McDonald: No, you have not. So your answer is that you will not reverse it-----

The Tánaiste: I have answered.

Deputy Mary Lou McDonald: -----and you understand the work of carers.

An Ceann Comhairle: Would Deputy McDonald mind addressing her remarks through the Chair? It is the normal courtesy, in case she does not know it, which exists in the House.

Deputy Mary Lou McDonald: A Cheann Comhairle-----

An Ceann Comhairle: Resume your seat.

Deputy Mary Lou McDonald: Can I raise an issue?

An Ceann Comhairle: No, you cannot. Resume your seat.

Deputy Mary Lou McDonald: I presume when we ask a question-----

An Ceann Comhairle: Resume your seat, I said.

Deputy Mary Lou McDonald: -----that we can expect an answer.

An Ceann Comhairle: I am not responsible for the replies.

Deputy Mary Lou McDonald: I asked specifically about the respite care grant and the Tánaiste specifically did not answer.

An Ceann Comhairle: I will not ask the Deputy a second time to resume her seat.

Deputy Mary Lou McDonald: Will the Ceann Comhairle ask the Tánaiste to answer the question?

An Ceann Comhairle: Deputy McDonald is expected to respect the Chair, like everybody else.

Deputy Finian McGrath: The Tánaiste did not answer the question on the carers.

Deputy Mattie McGrath: Yesterday, the heads of the protection of life during pregnancy Bill were discussed in the House. It was condemned by some as a positive compromise and condemned by others as not going far enough. I suggest both approaches are seriously flawed. The very content of the Bill in its current form undermines the very rights it sets out to protect.

Deputy Anthony Lawlor: Who wrote that for you?

Deputy Eric Byrne: Did Deputy Clare Daly help with it?

Deputy Mattie McGrath: I waited with the greatest respect and I hope to get respect. I want to speak on behalf of people who have a different view.

An Ceann Comhairle: Please, allow the Deputy to put his question.

Deputy Micheál Martin: On a point of order, this goes on all the time and it is wrong.

An Ceann Comhairle: I will deal with it. I ask Deputies to stay quiet.

Deputy Anthony Lawlor: You are not all-----

An Ceann Comhairle: Stay quiet, Deputy Lawlor, please, and I will not ask you a second time.

Deputy John Deasy: It never happened when Deputy Martin was in government.

Deputy Micheál Martin: What is going on is wrong. Deputies should be allowed have two minutes to ask a question. The Deputies opposite are shouting down democracy.

An Ceann Comhairle: I ask Deputy Martin to please allow me do my job-----

Deputy Micheál Martin: I will indeed, but with respect ,it is not what is happening.

An Ceann Comhairle: -----and he can do his.

Deputy Micheál Martin: They are interrupting all the time.

Deputy Mattie McGrath: I had to write to the Ceann Comhairle last week. He does his best always, but we are not being allowed to speak and it is not fair on us over here.

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An Ceann Comhairle: I am looking after it.

Deputy Mattie McGrath: Go raibh maith agat. The Bill does this by framing proposed legislation which completely ignores the weight of medical evidence which demonstrates beyond reasonable doubt that abortion as a treatment for suicide is harmful to women and favours an ideological position not supported by facts. It is also proposed that certain hospitals will be designated to perform these so-called terminations. What will be the position if the hospital refuses to perform these terminations? What if it conflicts with the established ethos of these hospitals as set down in many cases by contractual agreements between the HSE and the hospitals? The Bill contains a conscientious objection clause for individuals, but will the same apply to institutions which cannot in conscience perform these procedures? I suspect this is one more demonstration that the Bill is profoundly unworkable and risks an enormous level of Government intrusion into the practice and integrity of our health system. The entire situation speaks to the lack of equality between the life of the mother and the child as laid out in Article 40.3.3° of the Constitution. The Bill also requires that the abortion can only be granted in the reasonable opinion of two psychiatrists that the risk can only be averted by this procedure. It is asking psychiatrists for a reasonable opinion despite the fact the majority of them have stated this is unreasonable.

The Tánaiste: As the Deputy and the House know, the Government has approved the heads of a Bill which is intended to protect the lives of women during pregnancy. Every year, thousands of women in Ireland give birth. It is a happy occasion and a cause of great joy. However, there are occasions when things go wrong, and in these cases women are entitled to know they will get the treatment which will save their lives, and the doctors who treat them also need to know their position is clear when they take action to save a woman's life during pregnancy. The heads of the Bill will be referred to the Oireachtas Joint Committee on Health and Children. I invite Deputy McGrath to put the case he has made and the issues he has raised to the committee and take the opportunity when the Bill is before the House to make the case he has made. There will be a full debate on the Bill in the House. There will be a full discussion on the heads of the Bill at the Oireachtas committee and there will be plenty of opportunities for Deputy McGrath to make the points he has made and have them responded to by the Minister.

Deputy Mattie McGrath: I am a member of the health committee and I was at the meeting this morning. I will make these points at the committee also. I hope the committee will not just be a stalking horse for the legislation and that we, and those who come before us, will be listened to. What persuaded the Tánaiste to include a provision for psychiatrists to arrive at a position which they have stated is not supported by evidence? In practice, will this not seriously limit the pool of mental health professionals who will participate in such a process and thus leave the door open to the tiny minority who believe abortion will serve the interests of women?

The evidence from every other jurisdiction in the world has demonstrated time and again that despite the best intentions of legislators, and regardless of the alleged restrictiveness of legislation, no government has succeeded in preventing an abortion on demand situation from occurring once the principle of targeting innocent human life is accepted. I say this honestly. An appeals mechanism on behalf of suicidal women refused an abortion is contained in the heads of the Bill. Since the unborn child has equal right to life will there be room for an appeal on behalf of the unborn child in the event two psychiatrists in the teeth of the relevant evidence sign the child's life away? Will the Tánaiste give a commitment to this in the interests of equality?

11 o'clock

The Tánaiste: When the Committee on Health and Children held its hearings on this issue earlier this year, it did so in a very dignified and reasoned way. I expect that, in considering the content of the heads of the Bill, the committee will address it in the same reasoned way. As I said yesterday, it is important that this debate be conducted in a reasonable manner. Deputy Mattie McGrath has a point of view on the Bill and he will have plenty of opportunity to air his views at the Committee on Health and Children, of which he is a member, and in the debate here in the House. Those are the appropriate places for the issues he has raised this morning to be teased out in detail.

The Bill has been worked on for some time and is balanced and reasonable. It is within the confines of the constitutional provision, the judgment in the X case, and the judgment given by the European Court of Human Rights. There are obviously details that have to be, and will be, discussed here on the floor of the House and at the committee, including the issues that Deputy McGrath has raised this morning. In fairness, that is probably the best place to have that matter discussed. That is what the Oireachtas is for - to debate and discuss the detail of legislative proposals. I expect there will be plenty of opportunity to have the issues which Deputy McGrath raised - which related to detailed provisions in the Bill - fully teased out. There will be plenty of opportunity for that to be done.

Order of Business

The Tánaiste: The Order of Business is No. 1, Education and Training Boards Bill 2012 - Amendments from the Seanad; No. 20, Industrial Development (Science Foundation Ireland) (Amendment) Bill 2012 [Seanad] - Second Stage (resumed); No. 4, Housing (Amendment) Bill 2013 - Order for Second Stage and Second Stage.

It is proposed, notwithstanding anything in Standing Orders, that in relation to the Criminal Law (Sexual Offences) (Amendment) Bill 2013, the Second Stage of which shall be considered tomorrow, the following arrangements shall apply: (i) the opening speech of Deputy Thomas Pringle and of the main spokespersons for Fianna Fáil, Sinn Féin and of a Minister or Minister of State, who shall be called upon in that order and who may share their time, shall not exceed 15 minutes in each case; (ii) the speech of each other Member called upon shall not exceed 15 minutes and such Members may share their time; (iii) a Minister or Minister of State, who may speak twice, shall be called upon no later than 1 p.m. to make a speech which shall not exceed 15 minutes; and (iv) Deputy Thomas Pringle shall be called upon to make a speech in reply which shall not exceed 15 minutes.

An Ceann Comhairle: There is one proposal to be put to the House. Is the proposal for dealing with Second Stage of the Criminal Law (Sexual Offences) (Amendment) Bill 2013 tomorrow agreed to? Agreed.

Deputy Micheál Martin: It is fair to say that, over the last 25 years, there has been a transformation of attitudes to entrepreneurial endeavour. Many more people today will contemplate establishing a company compared to a generation ago. City and county enterprise boards have played a significant role in encouraging, influencing and supporting people to take that step to set up their own businesses. Small to medium-sized companies are the backbone of the economy, so I wish to ask the Tánaiste two questions. I know the Government is proposing to get rid of the enterprise boards, so when is the county enterprise boards (dissolution) Bill expected to come before the House?

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The Government talks about creating jobs, but no one can understand why thousands of jobs are being held up because of the decision to freeze funding that has already been allocated to a multitude of projects across the country under the aegis of Leader and partnership groups. Perhaps the Tánaiste can indicate when the relevant legislation will come before the House because it is tied up with the Leader programme being subsumed into the county councils. When will that funding be released?

An Ceann Comhairle: We are dealing with legislation here.

Deputy Micheál Martin: People are at their wits' end in communities across the country over the failure to release that funding which has been allocated in the Estimates and matched to projects. It has not been released because of some review that the Minister, Deputy Hogan, has dragged out and is delaying unnecessarily.

An Ceann Comhairle: Is there promised legislation, Tánaiste?

The Tánaiste: The legislation concerning county enterprise boards will be published this session. As regards the funding, my understanding is that €90 million of funding was released last week.

Deputy Mary Lou McDonald: I welcome the Government's publication of the heads of the protection of life during pregnancy Bill. I look forward to seeing the legislation on the Statute Book as we rise for the summer.

I wish to raise two matters with the Tánaiste, the first of which concerns the Bethany Home. The Minister for Justice and Equality, Deputy Shatter, and the Minister of State, Deputy Kathleen Lynch, have met with the survivors. What occurred in that home is well known to many Members of the Oireachtas, as is the fact that those victims have been excluded from any form of redress. At various junctures, the Government has given commitments to consider the Bethany Home issue and to come forward with a proposal on how the victims might be acknowledged. Can the Tánaiste tell us what that proposal might be and the current status of those considerations?

My second question is about Mr. Justice Quirke's work on the redress scheme for the Magdalen survivors. As the Tánaiste knows, Summerhill in Wexford was inexplicably excluded from that redress scheme.

An Ceann Comhairle: We cannot go into detail on the Order of Business.

Deputy Mary Lou McDonald: Both the Taoiseach and the Tánaiste have told me that the Cabinet is considering the inclusion of Summerhill in Wexford. Has the Cabinet reached a conclusion and a decision on that matter?

The Tánaiste: As the Deputy said, the Minister, Deputy Shatter, and the Minister of State, Deputy Kathleen Lynch, have met with the survivors of the Bethany Home. They are considering the approach to be taken on that issue. Similarly, the Summerhill issue is also under consideration. The Government will consider those issues when the Minister and the Minister of State have completed their consideration of them.

Deputy Mattie McGrath: The Government's strategic infrastructure sub-committee always meets in time of crisis, including flooding and other emergencies. Will that sub-committee be convened to deal with the fodder crisis? I know that we have sunshine and a bit of

heat now, but this major infrastructural problem will continue into the autumn, winter and next spring. Figures released last night confirm that there has been an increase of between 20% and 40% of dead animals in some regions. No farmer wants to lose livestock.

An Ceann Comhairle: For the Deputy's information, I have granted a Topical Issue to Deputy Tom Fleming on this subject, so it will be raised this afternoon.

Deputy Mattie McGrath: I am delighted. Last night's figures have shown an increase of up to 61% in dead animals in some areas. It is a big issue.

An Ceann Comhairle: I appreciate that.

Deputy Mattie McGrath: I do not think it is being grasped. The Government has a strategic infrastructure sub-committee, including the Taoiseach, the Tánaiste, the Minister for Finance, the Minister for Agriculture, Food and the Marine, and the Minister for the Environment, Community and Local Government. We are depending on agriculture for our economy to recover, yet it is getting a hammering. The situation is very serious indeed.

I also wish to ask about the reform of criminal justice legislation. When will we see reform of the Office of the Director of Public Prosecutions to allow for transparency and accountability? We should know the reasoning behind decisions to prosecute or not in some areas. The bewildered public deserve some explanation concerning the actions, or inaction sometimes, of the DPP.

An Ceann Comhairle: Is there promised legislation in this area?

The Tánaiste: No.

An Ceann Comhairle: I am sorry but there is no promised legislation in this area, so I cannot help the Deputy on that matter.

Deputy Bernard J. Durkan: When will a provision be introduced for the exchange of criminal records information with other EU member states? I am referring to the criminal records (information system) Bill.

When is the heritage (amendment) Bill likely to come before the House? Have any preliminary discussions taken place on the heads of that Bill?

The adoption (tracing and information) Bill has been promised for some time. Have the heads of that legislation been discussed and when is it likely to come before the House?

The Tánaiste: The criminal records (information system) Bill will be published later this year. The heads of the heritage (amendment) Bill have not yet been cleared by the Government. What was the third Bill raised?

Deputy Bernard J. Durkan: The adoption (tracing and information) Bill.

The Tánaiste: That will be published this year.

Deputy Patrick Nulty: There is a commitment in the programme for Government to publish legislation to provide for a statutory right to collective bargaining. No date has yet been given for the publication of that legislation. Can the Tánaiste enlighten Members as to when this Bill, which is a core element of the programme for Government, will be published?

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The Tánaiste: Commitments in the programme for Government will be fulfilled. I do not have a date for the publication.

An Ceann Comhairle: No date for the present. I call Deputy Broughan.

Deputy Thomas P. Broughan: What is the precise status of the workplace relations Bill at present? I understand the Ceann Comhairle is considering a Topical Issues debate-----

An Ceann Comhairle: It is granted.

Deputy Thomas P. Broughan: Okay, that is good. As the Tánaiste is aware, Bus Éireann workers are facing significant cuts in their pay and conditions. Many of them believe they cannot accept the Labour Court recommendations.

An Ceann Comhairle: The Deputy will have a chance to discuss this later.

Deputy Thomas P. Broughan: Can the Tánaiste, as a member of the Government, ask the Minister for Transport, Tourism and Sport, Deputy Varadkar, to address this matter urgently to avoid a withdrawal of the Bus Éireann fleet or obliging workers to resort to strike action?

The Tánaiste: The workplace relations Bill is due to be published this session. On the second matter, there is a Labour Court recommendation. The Labour Court has adjudicated on that matter.

Deputy Kevin Humphreys: Most Deputies receive complaints about waste management or waste collection companies across the State every week. In January of this year, the Minister for the Environment, Community and Local Government, Deputy Hogan, stated he was considering the bringing forward of legislation to introduce a regulator for the sector. Can the Tánaiste provide an update regarding progress in bringing forward a regulator for the waste management industry?

The Tánaiste: The heads of an environment Bill addressing waste management issues were approved by the Cabinet this week. I do not have a date for the Bill's publication but I will revert to the Deputy in this regard.

Deputy Ray Butler: When is publication of the road traffic Bill expected? I seek the inclusion of a provision that in locations in which there is no public lighting and on rural roads and in rural areas, high visibility jackets and armbands be compulsory with the use of on-the-spot fines and discretion. This is a huge issue.

An Ceann Comhairle: Yes, it is a big issue.

The Tánaiste: The road traffic Bill is due to be published this session.

Topical Issue Matters

An Ceann 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 Maureen O'Sullivan - the Dublin City Council report that 90% of private apartments inspected in the Dublin area are not fit for habitation;

(2) Deputy Pádraig Mac Lochlainn - the proposed closure of Gaelcholáiste Chineál Eoghain, Buncrana, County Donegal; (3) Deputy John O'Mahony - the problems being experienced by persons attempting to pay the local property tax;

(4) Deputy Aengus Ó Snodaigh - the future plans for the funding of youth-centred homeless projects such as St. Catherine's Foyer, Marrowbone Lane, Dublin 8;

(5) Deputy Sean Fleming - the need to publish the third implementation report of the Croke Park agreement covering the period up to 31 December 2013;

(6) Deputies Regina Doherty, Joan Collins, Thomas P. Broughan, Timmy Dooley, Damien English and Brian Walsh - the proposed industrial action by workers at Bus Éireann;

(7) Deputy Eamonn Maloney - the extension to Tallaght hospital accident and emergency department; (8) Deputy Michael McNamara - a proposal from Killaloe for a commemorative coin to mark the millennium in 2014 of the death of Brian Boru;

(9) Deputy Patrick Nulty - the implications for the Irish State of the European Court of Justice ruling with respect to the pension scheme of former Waterford Crystal workers; (10) Deputy Róisín Shortall - the implications for the Irish State of the European Court of Justice ruling with respect to the pension scheme of former Waterford Crystal workers; (11) Deputy Brian Stanley - the progress in putting a plan in place for the 53 designated special area of conservation, SAC, bogs and for an update on co-location, compensatory habitats, relocation and compensation for turf cutters; (12) Deputy Ann Phelan - the future for the former workers of Waterford Crystal following the recent decision of the European Court of Justice; (13) Deputy Ciara Conway - the need for the State to engage with a delegation on behalf of former Waterford Crystal workers following the recent ruling by the European Court of Justice; (14) Deputy Joe Higgins - the need to have a fresh military court of inquiry into the circumstances of the death in 2009 of Air Corps Cadet David Jevens; (15) Deputy David Stanton - the need for further educational places in Midleton and Carrigtwohill, County Cork; (16) Deputy Clare Daly - the need to end detentions in Guantanamo Bay;

(17) Deputy Mick Wallace - the need to end detentions in Guantanamo Bay;

(18) Deputy Richard Boyd Barrett -

the decision on Waterford Crystal workers' pensions; and (19) Deputy Tom Fleming - the need to extend the transport fodder scheme from its closing date of Friday, 3 May until at least the middle of May.

The matters raised by Deputies Regina Doherty, Joan Collins, Thomas P. Broughan, Timmy Dooley, Damien English and Brian Walsh, John O'Mahony, Michael McNamara and Tom Fleming have been selected for discussion.

Education and Training Boards Bill 2012: Amendments from the Seanad

The Dáil went into Committee to consider amendments from the Seanad.

Seanad amendment No. 1:

Section 22: In page 21, between lines 45 and 46, to insert the following subsection:

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“(8) The Minister shall, in deciding whether or not to give a direction or his or her consent under this section, have regard to—

(a) the existing provision of, and future need for, education and training in the area in which the education or training provider is situated,

(b) the desirability of providing a diverse range of education and training opportunities for students and learners,

(c) the optimum use of available resources,

(d) the desirability of securing value for money in respect of arrangements entered into or support services provided under this section,

(e) the availability of expertise, experience and skills in the education and training board and education or training provider concerned,

(f) the capacity of the education and training board concerned to enter into arrangements or provide support services under this section, and

(g) the opportunity to share resources, expertise, experience and skills for the benefit of students or learners.”.

Minister of State at the Department of Education and Skills (Deputy Ciarán Cannon):

There are a total of 11 Seanad amendments before the House and they relate to criteria for giving ministerial consent, accounts and accountability, gender balance and drafting matters.

Amendment No. 1 relates to section 22 of the Bill. This section provides that an education and training board, ETB, may, with the Minister’s consent, enter into an arrangement with a different education or training provider for the joint performance of any of the board’s functions. An ETB may also, with the Minister’s consent, provide support services to another education or training provider if that provider requests this. The Minister also is empowered to direct a board to perform functions jointly with another provider or to provide support services to the provider. This can only happen where there is a request from the provider. The amendment made on Committee Stage in the other House introduces criteria to which the Minister must have regard in deciding whether to give a direction or indeed his consent. The criteria include existing provision and the future needs for education and training in a particular area, the desirability of providing a diverse range of opportunities for learners, the best use of resources, the expertise, skills and experience available in an ETB and the other education provider, the capacity of the ETB to co-operate or provide support services, and the opportunity to share resources and knowledge for the benefit of students and learners. All these criteria will be of significant help to any future Minister in weighing up decisions in this area pertaining to directing or consenting to certain actions by ETBs and their relationships with other education or training providers.

Seanad amendment agreed to.

An Ceann Comhairle: Amendments Nos. 2, 3, 8, 9 and 10 are related and will be discussed together.

Seanad amendment No. 2:

Section 25: In page 23, between lines 38 and 39, to insert the following subsection:

“(2) The chief executive of an education and training board shall give evidence to the Committee referred to in *subsection (1)*, whenever required to do so by that Committee, in respect of any of the following matters insofar as they relate to a dissolved body for which the board is the relevant education and training board—

(a) the regularity and propriety of the transactions recorded or required to be recorded in any book or other record of account subject to audit by the Comptroller and Auditor General that that dissolved body was required by the Vocational Education (Amendment) Act 2001 to prepare,

(b) the economy and efficiency of the dissolved body in the use of its resources,

(c) the systems, procedures and practices employed by the dissolved body for the purpose of evaluating the effectiveness of its operations, and

(d) any matter affecting the dissolved body referred to in a special report of the Comptroller and Auditor General under section 11(2) of the Comptroller and Auditor General (Amendment) Act 1993, or in any other report of the Comptroller and Auditor General (in so far as it relates to a matter specified in *paragraph (a), (b) or (c)*) that is laid before Dáil Éireann.”.

Deputy Ciarán Cannon: A number of amendments were made on Report Stage in the other House to ensure the proper accountability of the new education and training boards. Amendments Nos. 2 and 3 will ensure that in the transition from VECs to ETBs, there is no gap in the obligation to respond to the Committee of Public Accounts on the VECs’ financial activity. Moreover, the chief executive of an education and training board will be accountable to the Committee of Public Accounts for matters arising during the tenure of the former VEC from which it has taken over responsibility.

The purpose of amendment No. 9 is to amend the accounts provision in order that the 1 April date for the submission of accounts each year to the Comptroller and Auditor General may be varied by the Minister. This is likely to be of most importance in the first year, when ETBs will be obliged to submit the final accounts of each of the former VECs not later than the same time as they submit the first set of accounts for the new ETBs. Given that they may have a number of sets of accounts to file in their first year, this amendment will ease any unnecessary pressure on the new bodies created by a 1 April deadline. Amendment No. 8 is simply a drafting amendment and replaces the words “financial year” with “accounting period” to ensure there is consistency throughout section 51.

Finally, the purpose of amendment No. 10 is to ensure that education and training boards are required to submit to the Comptroller and Auditor General any accounts that are outstanding at the time of the VECs’ dissolution. Once those accounts have been audited by the Comptroller and Auditor General, the education and training board will be responsible for presenting them and the auditor’s report to the Minister. The latter will then arrange for them to be laid before the Houses of the Oireachtas in the normal way. This will ensure there is no gap in the obligation to file and lay accounts, which might otherwise occur as a result of the transition from the VECs to the ETBs.

Deputy Charlie McConalogue: I thank the Minister of State and welcome the consider-

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ation of the Minister in both the Dáil and the Seanad. I have no issue with the amendments coming back from the Seanad and, overall, it is quite a good Bill that I am happy to support.

Seanad amendment agreed to.

Seanad amendment No. 3:

Section 25: In page 23, between lines 42 and 43, to insert the following subsection:

“(3) In this section, “relevant education and training board” shall be construed in accordance with *section 54*.”.

Seanad amendment agreed to.

Seanad amendment No. 4:

Section 30: In page 28, between lines 47 and 48, to insert the following subsections:

“(5) The Minister shall make regulations for the conduct of elections for the purposes of *subsection (1)(a)* and the regulations may provide—

(a) for the establishment of panels of candidates for election comprising women only and panels of candidates for election comprising men only from which persons shall be elected in accordance with those regulations, and

(b) that, as far as practicable, a minimum number of women and a minimum number of men shall be elected from each local authority.

(6) When making regulations under *subsection (5)*, the Minister shall have regard to the objective that at least 40 per cent of members elected under *subsection (1)(a)* shall be women and at least 40 per cent shall be men.”.

Deputy Ciarán Cannon: In the course of the debate on this Bill, the issue of gender balance was raised both in this House and in the Seanad. Under the current law, the proportion of male and female local authority representatives on a VEC must mirror the proportion of the total number of male and female members of those county, city and town councils when added together. This existing system has given rise to practical difficulties, particularly when a number of bodies came together to elect people to a single board. Having regard to these discussions and in particular to an amendment tabled on this issue by Senator Bacik, two new subsections were inserted into section 30. The effect of these insertions is to compel the Minister of the day to make regulations governing the election of local authority members to ETBs. In particular, these regulations may provide for gender balance by creating separate panels for women and men. They will also empower the Minister, as far as possible, to set down a minimum number of women and men who must be elected by each local authority. The amendment provides that in the making of the regulations the Minister must have regard to the objective of at least 40% of each gender being elected by the local authorities. This reflects Government policy on gender balance on State boards generally.

Deputy Jonathan O'Brien: I thank the Minister of State for this amendment. On Committee and Report Stages in the Dáil and in the Seanad a number of amendments were proposed by different Deputies to try to address this issue and it is good to see that Government has finally come up with an amendment with which it is satisfied and which we welcome.

Seanad amendment agreed to.

An Ceann Comhairle: Amendments Nos. 5, 6, 7 and 11 are related and will be discussed together.

Seanad amendment No. 5:

Section 30: In page 29, subsection (8)(c), line 28, to delete “*paragraph (a) and (b)*” and substitute “*paragraphs (a) and (b)*”.

Deputy Ciarán Cannon: This final set of amendments are all drafting in nature and were introduced either to correct minor errors in the Bill or to improve the language in order to aid interpretation.

Seanad amendment agreed to.

Seanad amendment No. 6:

Section 33: In page 32, subsection (1), lines 3 to 10, to delete paragraph (c) and substitute the following:

“(c) in the case of a person appointed under *section 30(1)(c)*, and subject to *subsection (2)*, he or she ceases to be the parent of—

(i) any child who has not reached 18 years of age and is registered as a student in a centre for education or recognised school, or

(ii) a learner in a children detention school, prison, education or training facility or other facility maintained by any other public service body where the board provides education or training.”.

Seanad amendment agreed to.

Seanad amendment No. 7:

Section 37: In page 35, subsection (1)(b), line 2, to delete “*subsection (4)*” and substitute “*subsection (5)*”.

Seanad amendment agreed to.

Seanad amendment No. 8:

Section 51: In page 49, subsection (2), line 24, to delete “financial year” and substitute “accounting period”.

Seanad amendment agreed to.

Seanad amendment No. 9:

Section 51: In page 49, subsection (2), line 24, to delete “earlier” and substitute “other”.

Seanad amendment agreed to.

Seanad amendment No. 10:

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Section 63: In page 55, between lines 30 and 31, to insert the following subsections:

“(4) Any accounts of a dissolved body, other than the final accounts, which on the establishment day have not been submitted to the Comptroller and Auditor General for audit, shall be prepared and submitted by the relevant education and training board not later than 3 months after the establishment day.

(5) Immediately after the relevant education and training board receives a copy of the accounts submitted under *subsection (4)* duly audited and a copy of the Comptroller and Auditor General’s report, the board shall present a copy of the accounts and a copy of the report to the Minister who shall, as soon as may be, cause copies thereof to be laid before each House of the Oireachtas.”.

Seanad amendment agreed to.

Seanad amendment No. 11:

SCHEDULE 6: In page 92, line 12, column 4, to delete “*section 43(2)*” and substitute “*section 44(2)*”.

Seanad amendment agreed to.

Seanad amendments reported.

An Ceann Comhairle: A message will be sent to Seanad Éireann acquainting it accordingly.

Industrial Development (Science Foundation Ireland) (Amendment) Bill 2012 [Seanad]: Second Stage (Resumed)

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

Deputy Clare Daly: When we look at any organisation moving towards reform, as we are doing in the case of Science Foundation Ireland, we must start by looking back, considering where it has come from, and make an evaluation of the organisation and its remit to date, asking whether it has been fit for purpose, before we considering changing it. From a personal point of view, my first knowledge of Science Foundation Ireland came a number of years ago when I was a county councillor. A query was raised by a researcher in one of the universities who had noticed that funds which had been made available by SFI for a specific project were not being used for that project and the work being undertaken in the university was being done to advance the private interests or whim of other people and organisations that could benefit from it. At the time we challenged that situation and tried to get to the bottom of it, to discover why there was no adequate monitoring by SFI of the public moneys that had been given to this college for a specific purpose. My experience of the interaction with the organisation at the time was not a good one. We never got any answers or found any accountability as to where that money was being spent.

That may not have been the first time that controversy has attached to this organisation. There was much negative publicity and controversy on a number of fronts over the appointment of Mr. Mark Ferguson as director general more than a year ago. The first was-----

An Ceann Comhairle: The Deputy should be careful about mentioning people's names in the Chamber.

Deputy Clare Daly: I apologise, a Cheann Comhairle, but the filling of this post, with a salary scale that breached the cap, was not a good thing and caused much concern at the time. In addition, much concern was expressed about the person who was given that job, in terms of his record in the private sector. This organisation is in charge of a multi-billion funding pot which is being steered in the direction of commerciality, and that is what this Bill is about, in part. For that reason, those at the helm must be the best people. When the appointments were made, the Minister of State with responsibility in this area, Deputy Sean Sherlock, spoke about putting people at the helm who had extensive commercial experience and what a tremendous coup it was for Ireland that we had gained this type of expertise. However, when one examines some of the activities that were undertaken in the private sector in Britain by this individual and his company, one would not really be inspired to think that this type of experience would benefit SFI, or indeed the Irish economy.

In some ways that may set the scene here, and it is key. When we look to extending the commercial remit of SFI, we must start by asking what research there has been into SFI's own investment portfolio to date, what sort of returns have been delivered and who has benefited from them. Substantial sums of taxpayers' money have been invested in the organisation, and this really gets to the heart of this debate. We all agree there can be no economic recovery in this State without the creation of jobs. Developments in science and technology which are being spearheaded by the State are a key that could unlock and benefit the economy in that regard. Investment in research and development can and should be a crucial part of that recovery. I believe we have an opportunity to develop matters in that way. The last Government spoke a great deal about the smart and green economy, which was utter rot considering what it actually did and the direction in which it took the economy forward. It spoke of this direction but implemented the opposite.

We have to start from the point of what is in the best interest of the economy and our current position. We face an incredible situation where people have been educated in this State, have substantial talents which we can tap for the benefit of society at large, but they are not being utilised. More than 100,000 qualified people lie idle on the dole queues, and 4,000 post-doctoral researchers are out of work. That represents expertise and skills that are not being tapped. There are enormous opportunities to put these people to work and to benefit from their expertise, tapping into it for the benefit of the whole economy.

What are the safeguards in this Bill that will lead us to believe this and to ensure the benefits of the investment in research return to the citizens and the State, rather than to the profits of a few or being siphoned off as a slush fund for the benefit of private companies? The reason we need to explore this further is quite clear. The Minister of State, Deputy Sherlock, is on record as having stated the private sector does not fund research and development to an optimum level for economic and societal benefit. I completely agree with him. The private sector does not do so and if it refuses, as it has, to invest its profits in taking society forward and developing research and development, why should it profit in a partnership with the State from such research and development? Why is the State not developing the valuable research it has commissioned? Why does it simply hand these ideas to private companies instead of taking a lead role in bringing them to fruition? The usual response is that we do not have the money but the European Investment Bank, EIB, exists precisely to solve that problem. There is no impediment to the State's ability to access the necessary funds. The EIB is prepared to match State funds on a

50:50 basis for strategic projects. We should explore the types of strategic project that could be developed and the talents and potential that can help turn around our economic situation.

This Bill will allow SFI to spend taxpayers' money outside the State for the first time. We will not provide employment for the nearly 500,000 people who are on the dole in Ireland by creating jobs in food factories in South America. If the State is in a position to take advantage of research and development opportunities why are we not using these opportunities to create tens of thousands of jobs? The reason I am concerned about what has been done thus far is precisely because of our experience to date with this organisation. What has been the return on the State's investment in research and development? When the knowledge base is patented, where is our guarantee that the State will recoup its investment? What level of commercial funding has been provided to date? The private sector has been engaging in an effective capital strike where investment in research and development is concerned.

The Bill permits SFI to move towards applied research but we need to know whether basic research will be funded as heretofore and how the benefits will accrue. I am not sure these questions have been answered or that the Government is strategically investigating the potential for investment. Instead, we have the ridiculous daily announcements of 20 jobs here, 30 jobs there and 100 jobs over the next 16 years. The Minister for Jobs, Enterprise and Innovation appeared for the opening of a 24-hour McDonalds in my area. Is this the type of economy we are creating while good quality public sector jobs go unfilled and talented people linger on the dole? We need to be more creative and strategic. We might begin by following the example of this State in its early years, when it undertook a number of adventurous projects, such as the electrification schemes under the ESB and the development of Aer Lingus and transatlantic flights. It showed imagination in creating companies that provided quality employment and services over many decades. This is something the private sector has not managed to emulate.

There is great potential for using research and development in wind and wave energy to create employment in this State. Ireland has among the best conditions in the world for wave and wind energy. We should consider this potential against the backdrop of what has happened to date, however. The gains from Government funded research and scholarship have been siphoned off by private companies instead of benefiting the public. In the 1970s and 1980s wind energy research in Ireland, while limited, was in line with what was happened in similarly sized countries such as Denmark. The Irish Government of the time failed to tap into the potential for wind energy, whereas the Danish Government decided to focus on this area thereby allowing a country that started off from the same basis as Ireland to become a world leader in the production of wind towers and turbines. This has brought enormous benefits to the citizens of Denmark in terms of providing employment. Sadly, the Irish Government followed Mrs. Thatcher and the United States down the nuclear route and it abandoned the area of alternative energy.

We cannot afford to make that mistake again now that we are in the early stages of exploring the potential for wave power. I am not naive about this task. There is no doubt that the development of wave power will be a hugely expensive project requiring considerable investment but why should we lower our horizons of possibility? If people had taken that attitude to the electrification of Ireland and the early years of the ESB, this country would not have developed in the way it did. What made the difference was a State directed programme that was incredibly ambitious. Ireland was so far ahead of other countries that it was suggested we had lost the plot. It was a bold and daring initiative but it yielded results. There is no way on earth that wave power can be developed to its full potential if the job is left in private hands. Wavebob, the most promising private company working to harness wave energy, collapsed a couple of weeks ago

despite an investment of €9 million. It was clearly too small to bring its plans to fruition. We will not exploit wave energy to its full potential through four or five small companies competing on projects worth a few million euro. In a context of approximately 4,000 post-doctoral researchers on the dole and students in our colleges studying sciences and engineering, why does the ESB not open up a research programme so that 500 engineers and scientists could be put to work in this area? The benefits are potentially enormous and there is no point in continuing to waste millions of euro on small private companies. We are being incredibly short-sighted in our current approach.

Wind power has given rise to considerable controversy in many rural communities. The way in which communities have been treated by these companies is disgraceful. There is no reason why they should alienate people in these communities or interfere with their quality of life. The harnessing of offshore wind energy is a viable and readily available alternative. There is no need to discommode people or destroy the landscape with wind turbines. Once again, we see State research being syphoned off to benefit the private sector and the Irish economy falling short of its job creation potential. Companies involved in the wind power sector, for example, Airtricity, Mainstream Renewable Power and Element Power, are not engaged in any manufacturing or production. Their only function is to manage projects. If the State believes these private companies are so brilliant that we must have them managing our natural resources, which are owned by the people, it should allow them to manage the project, rather than handing over ownership of our natural resources to enable them to make profits while leaving the country and taxpayer with nothing.

It is critical that we invest in research and development. The current crisis provides an opportunity to tap into talent that is lying idle. Tinkering around at the edges will not suffice. What is required is vision and boldness and a realisation that jobs will not be created unless the State takes a lead in research and development. This is not propaganda or an ideological point but a fact based on many years' experience of austerity. Every week, 1,600 of our best, most talented and most creative young people are being driven from our shores by a lack of employment opportunities and a youth unemployment rate of more than 20%. Not only is this a criminal waste of their potential but it also robs the State and economy of the talent of these young people, which we should tap into by putting them to work.

It is fine to encourage research and development through Science Foundation Ireland but what the Bill proposes is to steer investment in the direction of the private sector, thus repeating the mistakes of the past. While it is appropriate to invest scarce taxpayers' money in research and development, it is not appropriate that this investment will be used to line the pockets of the few. We could instead benefit the many by pioneering investment in public works and other areas to create jobs.

Deputy James Bannon: I welcome the Minister of State, Deputy John Perry, to the House. Like my colleagues, I also welcome the opportunity to discuss the major role research and innovation services play in contributing to the knowledge economy. I am pleased to note that pupils from St. Mary's national school, Edgeworthstown, one of the largest schools in County Longford, along with their principal, Ms Helen O'Gorman, and Ms Anne Belton O'Reilly, are present in the Gallery. Ms O'Reilly's family has had associations with this House since the foundation of the State, including the period when semi-State companies such as Bord na Móna and the ESB were established. These companies did the country proud by helping to build the foundations of the State before we lost the run of ourselves during the Celtic tiger years.

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Last year, the Government announced that it would redirect spending to 14 areas that would create the maximum number of jobs, with a strong focus on information technology and innovation in manufacturing services, business and life sciences. At the time, I expressed some concern about expenditure on stem cell research. However, we have since been given clarity on the issue, which is welcome.

This is an important Bill which, when enacted, will provide for the extension of the remit of Science Foundation Ireland to allow it to fund research which has the greatest potential to create and deliver jobs and growth and will reap maximum benefits from research funded projects by bringing them closer to the market. A powerful and well functioning research or innovation system has long been recognised as central to regional and county economic development and the foundations of a dynamic and diverse economy. It is, therefore, vital that the Shannon and midlands region, particularly counties Longford and Westmeath, maximise its research and innovation capacity and draws on the knowledge and research intensive services that will become available as a result of the legislation. This is especially needed in the current challenging economic climate.

In 2011, the knowledge intensive services, KIS, funded the development of the research and innovation project under the INTERREG Atlantic area programme through the BMW region where I live. This was to update the 2004 audit of innovation and extend the analysis to the knowledge intensive services sector comprising of research and development, information and communications technology and management support services. For the first time, knowledge intensive services innovation and technology and knowledge transfer providers from both the private and public sectors were surveyed in the BMW region. The project also gave the region new insights into the supply for knowledge intensive services and the current status of the innovation supports system as well as the impact of the innovation supports provided by the lead national agencies at regional and county levels.

A report produced as part of the project made a number of key findings on knowledge intensive services and innovation capacity in the region. While knowledge transfer and innovation support activities are a priority in the region, funding limitations pose challenges. Moreover, although knowledge transfer and innovation support activities, such as incubation centres, are emerging as strategic priorities for higher education institutions, the lack of core funding for these services is a major barrier and limits their capacity to sustain delivery of knowledge intensive services to business. Internal culture also remains a serious barrier to engaging in technology and research continues to prevail over industry linkages in terms of the priorities for higher educational institutions, as identified in the earlier 2004 audit.

The report also notes that there remain few and limited incentives for staff to engage and limited processes to facilitate engagement, in particular in the institutes of technology sector. Other problems encountered were barriers to accessing knowledge intensive service providers, a lack of awareness about available funding and difficulties in accessing appropriate sources of funding. The same barriers can no doubt be found at national level.

In discussions with stakeholders, including both businesses and the staff of higher education institutions, repeated calls were made for a one stop shop or an appropriate agency to act as an intermediary between business and knowledge intensive experts in academia. The agency should be staffed with qualified well experienced and appropriate people. I hope the Bill will go some way to highlighting and resolving this matter.

We urgently need innovative proposals to counteract the neglect of smaller counties such as Longford by State agencies, particularly the IDA, especially given the increasing number of people on the live register and the loss of economic stability in the region arising from the closure of several industries and businesses. According to the most recent live register figures, the number of people signing on in County Longford stands at 5,064 or 1.8% of the total number of those who are unemployed. The corresponding figure for County Westmeath is 10,302 or 2.4% of the total number of individuals on the live register. This is the position in the aftermath of a number of closures that were massive blows to the economic viability of the midlands. I refer, for example, to the ill-thought out closure of Army barracks, small schools, rural Garda stations etc., which has given rise to the removal of a large number of full-time State-supported jobs from the local economy. The type of job losses to which I refer in the Longford-Westmeath area are equivalent to the loss of three major industries. They occurred at a time when the Midlands is receiving less than its fair share of job announcements. I hope this will change.

There is a history of Government neglect of the midlands which dates back over ten years. The Longford and Mullingar areas were shamefully disregarded in respect of the natural gas scheme and companies operating in the midlands have been left on the hind tit in respect of important facilities. Ten or 12 years ago when gas was being brought from the west coast to Dublin, there was a proposal that the route should run through Longford and Mullingar. However, following political intervention, the gas was brought via Athlone. While I have no difficulty with the latter, I am of the view that a spur line could have been put in place to Longford and Mullingar. The gas line was also run through a place called Clara in County Offaly, the home village of a former Taoiseach. That was political opportunism at its worst.

Science Foundation Ireland's current remit is to fund oriented research teams to carry out basic research in institutions and individual research teams which carry out high quality research. While the Bill includes a function for Science Foundation Ireland to promote the study of education in and awareness and understanding of science, technology, engineering and mathematics and to foster a greater public understanding of the physical sciences, engineering and mathematics and their value to society, its main focus must be about jobs, transforming Ireland and getting people back to work. In my opinion, most sections of the Bill have been prepared with a view to maximising growth, encouraging job creation and facilitating the transformation and modernisation of our systems. The Bill sets out further steps on how we plan to grow the economy and eliminate waste. The latter will enable us to adhere to our promise to keep income tax low. The Bill also flushes out the core elements of our policy platform which was set out in the programme for Government in February 2011 via the NewERA investment plan.

These are very difficult times for our people and the decisions taken in respect of recent budgets were very difficult. This Government has focused on budget cuts rather than job-destroying tax increases. We have favoured more savings as against fewer taxation measures. Specifically, we have not introduced any hikes in income tax or in taxes on jobs - for example, employers' PRSI - and we have protected the 12.5% rate of corporation tax. At the same time, we have protected old age State pensions and other social welfare care payments and set about tackling the massive levels of administrative costs and fraud.

There is an issue which I have raised on many previous occasions at various fora and which I am going to raise again now in the context of the Bill before the House. I am strongly of the view that we should, for several reasons, consider developing the computer technology and Internet skills of the unemployed by encouraging them to take after-school classes. This would greatly benefit them and their communities and would provide them with a sense of worth and

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of belonging to those communities. Both of the latter are extremely important for people who, through no fault of their own, have lost their jobs. I would like the Minister to take on board my suggestion in this regard. I am disappointed that the subject of computer skills is still not included on the leaving certificate examination curriculum. I would be delighted if the Minister of State could use his good offices to urge the Minister for Education and Skills to see to it that it is included. Perhaps this matter might be discussed by the Cabinet in the not too distant future.

We have a highly educated, highly skilled and highly trained work force in the midlands, the members of which are more than willing and able to meet the requirements of Science Foundation Ireland in order that it might fund research projects before proceeding with them on a wider geographical basis. People in the Longford-Westmeath area are keen to attract high-tech foreign manufacturers and foreign investment research projects, particularly as the level of unemployment in the midlands is at an unprecedented level. Thousands of those on the live register in Longford and Westmeath are crying out for urgently needed jobs. There are huge numbers of well educated young people in the area who, like their parents, are frustrated at the thought that they will be obliged to emigrate as a result of a lack of job opportunities. I want the position in this regard to change quickly.

Section 5 of the Bill gives Science Foundation Ireland the legal power to extend its activities beyond the borders of the State. This will allow it to provide direct funding to institutions in Northern Ireland and beyond. I would appreciate some clarity in respect of the Minister's and the Government's intentions in this regard. While I do not want to place obstacles in the way of the Bill in the context of funding projects in Northern Ireland and elsewhere, I am of the view that we cannot ignore what is happening in this regard. It is essential that the Government does its homework with regard to its proposals for the midlands. My job, as a representative for the Longford-Westmeath constituency, is to ensure that any Bill relating to industrial development benefits both my constituency and the midlands in general.

In 2009 my party's economic team held a number of meetings with business leaders who work at the coalface in the midlands and outlined Fine Gael's policy approach to the economic crisis. The business people who were in attendance also shared their ideas and plans for economic recovery and job creation in the midlands. A crucial meeting was held in the town in which I live under the banner "Working Together". At that meeting, which was chaired by none other than former Deputy George Lee, we pooled ideas and aired our views in respect of the future economic viability and development of the midlands. I urge the Minister to get cracking on the plans and ideas for job creation. Others present at the meeting - and at a similar meeting that was held in Athlone - were the Taoiseach, Deputy Enda Kenny, the Minister for Jobs, Enterprise and Innovation, Deputy Bruton, the Minister for Transport, Tourism and Sport, Deputy Varadkar, and the Minister for Agriculture, Food and the Marine, Deputy Coveney. All of these individuals are now in control of various areas of responsibility and they must seek to be the driving force in supporting job creation and business development in the midlands. I want to see a more visible presence on the international stage in the context of efforts to seek job contracts for the midlands, particularly the Longford-Westmeath area.

12 o'clock

As I have done since it took up office, I demand that the Government and the Department of Jobs, Enterprise and Innovation prioritise the area for job creation and provide assistance to existing industries and companies, particularly in the Longford-Westmeath constituency, where my bedrock of support as a representative lies. The Department needs to set up an inter-agency

group or task force, one with teeth, to develop the area. What was promised in 2009 must be delivered. I was shocked to learn that IDA Ireland had brought no foreign delegations to County Longford in the past eight years. Government members should exert more political clout and work together to address this problem.

Proposals have been made regarding wind energy in the midlands. It is a topical issue in many communities and poses a problem for the midlands. A number of companies are holding discussions with farmers. It is important that seminars be set up to inform people in the midlands of how wind energy is to be promoted and developed. People want their properties safeguarded. One solution is to provide turbines in cutaway bogs. It is important that there be proper guidelines to safeguard communities.

Deputy Clare Daly referred to wave energy, a sector that we have an opportunity to develop. When I spoke with the German energy Minister last year, he told me that if the Continent had Ireland's location, it would have developed wave energy a long time ago. We need to work on this area. I hope that the Bill will be broadened to incorporate the development of wave energy, our location for which is ideal. Not only could we supply Ireland with sufficient energy, thereby attracting industry, etc., but we could be the leading light in Europe and export our energy to the UK, France and other European countries in the same fashion that we export cattle and other products.

I thank the Leas-Cheann Comhairle for my time. I am pleased my colleague from Sligo-North Leitrim, the Minister of State, Deputy Perry, is in the Chamber. A capable man, he will take note of my concerns regarding Longford-Westmeath. I hope that action will be taken sooner rather than later.

Deputy Denis Naughten: I welcome the opportunity to contribute on this legislation, which is probably one of the most important Bills that the House will debate during the lifetime of this Dáil. It probably does not receive the recognition it deserves. Decisions made on foot of it will decide the country's future for the next generation.

The Bill focuses on three aspects, those being allowing Science Foundation Ireland, SFI, to fund applied research; to promote public awareness of science, technology, engineering and maths, STEM; and to improve collaboration across the island of Ireland and Europe. Developing ties within the scientific community is important at European level in terms of drawing down funding and sharing expertise. At the international level, developing ties allows Irish researchers and the country as a whole to be recognised.

The legislation relates to a number of other issues, for example, the announcement regarding Shannon Development, but I wish to focus on the legislation itself. In terms of public awareness, the Bill is going down the wrong road because of the failure to date, mainly on the part of the scientific and technological community, to articulate to the public a greater understanding of what it does. Public awareness of research is vital if we as policy makers are to ensure that we make the right decisions about our focus in future. There is an onus on any researcher who is in receipt of public moneys to explain how those funds are being spent and how society benefits as a result.

My fundamental problem with the legislation is that it focuses on how to benefit the economy, full stop, rather than how to benefit society as a whole. The failure to recognise the nuanced differences could, in the long term, systemically damage the focus of the Bill on developing the

economy. I will presently cite a clear example.

In fairness, SFI has rolled up its sleeves and engaged with Members of the Oireachtas and the public to try to improve awareness. Another organisation that is doing a good job in this regard is Enterprise Ireland, which is concerned with applied science. Recently, each Member was invited to Enterprise Ireland's high-potential start-up showcase in the Mansion House in Dublin. Anyone who attended could not but be impressed by the cutting edge new businesses that were based on research carried out in this country. It justified how our money was spent. When the showcase is held again next year, every Member should be obliged to attend to see exactly what is happening. A great deal of applied research is being conducted in Ireland. It is led by industry and small indigenous businesses, but they can only reach that level if the building blocks of basic research are in place. There is a significant weakness in communicating the importance of building a solid foundation of science and innovation for the types of enterprise that presented at the Mansion House.

There is an onus on the Oireachtas to establish a statutory committee that deals with the issues of science, technology and innovation specifically. It would provide a national platform for a debate on these issues. Consider the public's significant concerns about biotechnology, genetic engineering, wind turbines - the flavour of the month - and fracking. Two weeks ago, we attended a constructive debate in the Royal College of Surgeons in Ireland on Dawson Street about the issue of fracking. A number of international experts provided us with detailed presentations. It is disappointing that such a debate could not be held at a committee of the national Parliament. It was the Government's failure not to establish a dedicated committee.

This recommendation was made in a report of the Joint Committee on Education and Science more than one decade ago. It was drafted by none other than the current Minister for Jobs, Enterprise and Innovation, Deputy Bruton, and myself. At that stage we believed we were one of the few parliaments in Europe that did not have a specific committee to deal with science, technology and innovation. We believed that was restricting debate on new technology and some of the issues I raised, but also that it was reducing the potential public profile of mathematics, chemistry and physics, which would impact on young people taking an interest in those subjects at second level and, hopefully, going on to study them at third level. Unless we have a significant increase in, first, the understanding of science, technology and innovation within society and, second, have more people getting third level qualifications in the area then it will be a significant limiting factor to bringing investment into this country in the medium term.

It is the sexy issues such as astronomy that get young people interested. It may not be the area that will create a huge number of jobs in the medium or long term in this country but if we can get young people interested in particular aspects of science and they start to study it they will become the researchers of the future, not necessarily in astrophysics, but because they are in that sector and they have the education and understanding it will make this country far more competitive and bring in investment.

I commend the focus of Science Foundation Ireland in terms of the key targets for investment where it wants to direct research in future. We all accept that we have finite resources and we cannot research everything and anything. We have some of the best wind resources in the world yet we are not putting substantial investment into the area. The silver bullet in terms of wind energy would be to find a mechanism to store it. If we could do that, then we would be at the cutting edge internationally. Proposals were made to the Minister's predecessor on the conversion of wind energy to methane gas. Sadly, the individual concerned has left the

country and gone to the United Kingdom where a far more sympathetic approach was taken to the research. The individual did not have a string of scientific degrees and he was dismissed in this country yet the research is being actively undertaken in the UK. That brings me to blue sky research, which I will address in due course. People are pigeon-holed and, sadly, that acts against us bringing investment into this country in the medium and long term.

One other weakness which limits research in this country that must be addressed by the Government is the flaw in the funding structure of Enterprise Ireland. I refer to agrichemicals and veterinary pharmaceuticals. We are an agricultural-based economy and yet we are not facilitating research in those areas. Such research is currently taking place in other countries because of specific legal restrictions we have put in place. The main reason lies in the way the funding streams are structured in that the vast majority of the research must take place in this country in order for it to access funding. Given that it is necessary to undertake environmental toxicity tests and eco-toxicity tests for both those areas, and no one carries them out in this country, the tests must be done abroad. One also needs to examine the impact in various climates both in the northern hemisphere and the southern hemisphere and in both northern Europe and southern Europe to get a European licence and then one must carry out the testing in those areas. Only one company in this country carries out clinical trials on large animals. The area is most restrictive in this country and, accordingly, most of the research takes place abroad. As the majority of the research must take place in this country and because field trials must be done outside of the jurisdiction – in practical terms animal trials have to be done abroad as well – that means veterinary pharmaceuticals and agrichemical research cannot take place in this country. The Minister must examine the issue and introduce a change in the legislation to deal with it to ensure that such research can take place. I accept that one cannot have it across the board but it is a niche area. We are at the leading edge in agriculture yet we are tying both hands behind our backs because of the nuances relating to the field trials that it is necessary to carry out.

The main reason I wished to speak on the Bill is that I have a major fear that we are taking the focus very much away from blue sky – fundamental – research and focusing far too much on applied research. When making the announcement the Minister said the objective is to focus scientific research on turning good ideas into good jobs. I commend him on that. We want to make sure that happens and we must have a seed fund in place to ensure that private investment is available so that we can upscale from the novel idea to a manufactured product that will create jobs in this country and sustain companies in the long term. I do not have any disagreement with the approach, but basic fundamental, blue sky research is of vital importance to create the new businesses of tomorrow and beyond and to come up with the novel ideas that will become the applied research of today. If we do not come up with the novel ideas tomorrow then we will not have the scientific innovation to apply to manufactured products or ideas in the future in order to create the new businesses. There is a fear among the scientific community that the Government and the Department are very much focused on short-term justification for scientific research rather than basic research. The reality is that we would not be discussing applied research and Science Foundation Ireland unless the investment was made in the past ten years into basic research that has upskilled researchers and created the novel solutions that could be developed into a new business idea tomorrow.

I wish to give an example of what I am talking about because it is difficult to look at it in the abstract. We all know that computers are getting faster by the day. If someone said 20 years ago that one would be able to carry around a television and a computer in one's shirt pocket,

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one would have been locked up, yet that is the situation currently. That is all because we have been able to minimise computers by speeding up processing – micro-processing - through the use of computer chips. In this country today 4,500 people are directly employed in manufacturing computer chips for Intel, which is currently a big employer in this country. There is a law in electronics called Moore's law, which holds that the size of micro-electronic components shrink every two years through a doubling of density. That process has been going on for many years at this stage but there are limitations to how far one can actually go. There are physical limitations to how far one can go in reducing the size of circuits on silicon chips. There are also financial limitations because the smaller the components get, the more expensive the process gets. I have been told that within the next five to ten years, this process will reach its conclusion and silicon chips will be as small as they can possibly be. What happens to the 4,500 employees of Intel then if another solution is not in place? What will happen if another type of design or material has not been developed which can bring the process forward? We will not have 4,500 people employed here.

In the future, scientists will not be working on the silicon chip because they have been working on that for the past ten or 12 years. An enormous amount of research is going into further developments of the silicon chip at the moment. The scientists of the future will be working on developing some new material that has not been even considered yet. That is what blue sky research is all about - coming up with brand new materials. In this country, we are relying on someone else to do that. We are relying on others to come up with that novel idea and then we will hope and pray that we can piggy back on that and save the 4,500 jobs that we have in this country. We are only focusing on the application of research, that is, on how we can reduce the size of the current microchip rather than coming up with something completely novel and different. That is why it is fundamental that we also put significant resources into basic research so that we come up with those new materials and new ideas. In that way, we will ensure that we can do far more with electronic devices into the future, using completely different materials.

I attended a presentation in Ballinasloe recently, which was also attended by the Minister of State at the Department of Education and Science, Deputy Cannon. We were shown the next generation of tablet that will be used in schools. It was a paper-thin sheet of plastic, powered by a mobile telephone. It is an e-reader that one can dance on, roll up or crumple up and it will continue to function. That is where technology is going. It is moving away from the current materials being used for such devices and towards new materials, such as plastics.

We must look at what will happen in the future. We must encourage scientific innovation purely for its own sake and not just for some other objective further down the road. That is what will develop new, innovative scientists who will be listened to by the international scientific community. It will also lead to investors deciding to move to Ireland because we have the best researchers in the world here. Mixing such researchers with engineers and those who can apply the science will yield innovation, new ideas, new products and new jobs. That is why we need to support basic, fundamental research as well as applied research.

Deputy Terence Flanagan: I wish to share time with Deputies O'Donovan and English, with the agreement of the House.

I very much agree with Deputy Naughten's points regarding the importance of science and innovation, of ensuring that new products are brought to the market and of supporting applied research. I welcome the publication of this Bill and congratulate the Minister of State, Deputy Sherlock, on the good work he is doing in this area in the Department of Education and Sci-

ence. The science sector contributes substantially to our economy. The role of research in our economy is extremely important and we must continue to invest in creation and innovation if we are to compete in the global marketplace.

I wish to take this opportunity to congratulate BT on its continuing support for the Young Scientist and Technology Exhibition, which gives schools throughout Ireland a wonderful opportunity to bring new sciences and ideas for improving people's day-to-day lives to the attention of various manufacturers and companies. There have been some excellent projects in that competition over the years.

This Bill provides for the extension of the remit of Science Foundation Ireland, SFI, to enable applied research to be funded. Applied research is carried out by companies to bring products and services to market and must be encouraged. Many companies have ideas to generate employment opportunities in this sector but they need financial support to get those ideas off the ground. That is why it is so important that the banks take risks and support companies that have new and innovative ideas.

The Bill makes provision for a new function to enable SFI to promote and support an awareness and understanding of science, technology, engineering and maths. The foundation will take over the delivery of the Discover Science and Engineering, DSE, programme from Forfás. Although it is important that the remit of SFI is extended to enable it to fund applied research, the provision of funding for orientated basic research should also continue. Some Deputies have expressed concerns that orientated basic research will be under-funded as a consequence of more money being spent on applied research. Orientated basic research is carried out with the expectation that it will produce a broad base of knowledge likely to form the basis of the solution to recognised or expected current or future problems or possibilities. However, I am confident that it is not the case that such research will be under-funded. In January of this year SFI announced a fund of €60 million to cover basic research and to ensure that talented scientists in this field remain in this country and contribute their vast knowledge to projects here. Emigration is an issue in this area and we must try to retain our best and brightest and SFI's commitment will enable us to do that.

Scientific research is extremely important as the knowledge gained in the area can be adopted for use in other fields, including enterprise and exports. This, in turn, will generate income for the country and improve standards of living nationally. Ireland is recognised internationally for its positive approach to investment in science and for its success in climbing the world rankings in the field so quickly. At present, the Government has a core research budget of €500 million, which is a sizeable amount of money given the economic constraints under which we are currently operating. Investment in science, technology and innovation has increased significantly since 2000. Before that time, there was little investment in these areas and Ireland was not competing globally. We are now ranked 20th in the world for our research capability, which represents a jump of 16 places since 2003. I am confident that this Bill will ensure that our world rankings improve even further.

A key part of the Government's action plan for jobs is to promote research and development in the sciences and to build an economy that is focused on innovation. It is clear that we will need engineering, science and mathematics graduates to take up the jobs that will be created in the future. That is why it is so important that career guidance teachers are aware of the emerging trends and of where their students are likely to find employment after graduating. They must encourage and promote science, maths and engineering and ensure that students study

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relevant subjects at third level so that they can fill the vacancies that will arise in the future.

Ireland has built up a reputation in recent years for world-class scientific research. There is significant potential to build on this and to expand further in this area. Our real aim must be to increase employment in these areas and to ensure that there is a future work force in the sciences to help Ireland become a hub for scientific research. A number of priority areas for research have been identified by Science Foundation Ireland, SFI, including remote health care, smart energy grids, manufacturing and business service and sustainable food production. The main research areas in which Irish researchers excel currently are nanotechnology and material science, and Deputy Naughten spoke about the great developments in the computer and micro-chip area. Intel Ireland is a massive employer, with 4,500 people working for the company, and there has been great progress made through the years in reducing the size of chips for computers and even for telephones. Equipment is certainly getting smaller and better, which is crucial.

We need to build on our strengths and target future investment in areas that benefit our current and future economic needs. I am confident that the Government is aware of this and following that plan. I am very encouraged by the recognition that Ireland should see itself as a global player in the sector and we should strive to be in the top ten countries for scientific research in the world. Scientific research provides significant opportunity to generate further employment for the country and ensure greater foreign direct investment into Ireland. During these difficult economic times, the Government recognises the importance of delivering a return on scientific investment and is striving to turn this investment into employment opportunities. We know value for money is crucial and we must achieve that, and by investing in research we are ensuring a bright future for the country.

Deputy Patrick O'Donovan: I welcome the opportunity to speak on this very important legislation. I have spoken before in the House on science, technology and innovation, and particularly the State structures in place for the science sector, as I have a major interest in the area. I worked in the area before coming to the House. I often think that the industry supports so many elements of employment and direct contributions to the economy across all communities, and one will always find somebody either directly or indirectly connected to the science, technology and engineering fields, whether it is in light engineering or nanotechnology.

It is a Cinderella in terms of public administration. If one considers how science, innovation, engineering, research and technology have been treated, they are scattered among a clatter of different agencies and a range of different Departments. Based on the number of people working in the area and who derive their employment directly from it, I make no bones about stating that it should have a full Department. I watched the debate in my office before coming to the Chamber and many Deputies spoke about foreign direct investment in their own communities, as well as the indigenous industry available in the science and technology sectors. If there was any other contribution to the economy in every county that is as big as the science, technology, innovation and engineering sectors, it would warrant a separate Department. I have held that firm view for a long time.

The Bill is welcome as it gives us an opportunity to talk about how science and innovation is structured in a range of areas, and I will focus on education. I have raised the matter umpteen times. It is frightening to consider the take-up of physics, chemistry, biology and higher level or applied maths at second level and the numbers dropping out of courses involving physics, chemistry and applied maths at higher levels. We are not producing enough people to take up those subjects to leaving certificate level who will be able to continue to third level courses at

a degree level and through institutes of technology. We are storing up a major problem as the Department of Jobs, Enterprise and Innovation has people going around the world through State agencies such as IDA Ireland and Enterprise Ireland trying to attract people into the country but we do not have the educational infrastructure in place to encourage people to get into science at a much earlier stage. We should be doing this at primary level and we should encourage people at junior and senior cycle at second level to take on those subjects.

I can provide a case in point. A person can get into a third level science degree course in any university in the country with ordinary level maths and biology. The general degree in first year might entail physics, chemistry and biology, with higher level maths. People might wonder after first year in UCC, UCD or elsewhere why so many people drop out. To be fair, students are encouraged by the Central Applications Office, CAO, to fill out a form for a course they might like to do without realising the requirements to be able to sustain that course. If we are honest about improving the way we produce science graduates at third, fourth and post-doctoral level, we should address the CAO entry system and how people are encouraged into the area.

There has been much talk over the past number of months about restructuring the local authorities in Limerick and amalgamating the two existing authorities. There is fantastic educational infrastructure in the form of the University of Limerick and the Limerick Institute of Technology. Part of this Bill relates to the major land bank owned by Shannon Development. I have said it before but I will say again how I have major concerns about the future use of the land bank in the mid-west. This Bill takes in science, innovation, engineering, etc., but the educational infrastructure, local authorities, Science Foundation Ireland, the IDA and Enterprise Ireland must put a proper structure in place to allow graduates from institutes of technology and our universities to have proper incubation facilities where they can start up businesses.

The development of the science and innovation sector is not all about jobs arriving in Dublin Airport or announcements from the foreign direct investment sector. Many Irish companies at the micro level need basic assistance like incubation units and when we have as much land as we do currently, we should be more creative in putting that land bank to use. Storing it in the hope that we will recover the market prices of 2008 is not the answer and we must grasp the nettle and make a firm decision on the land bank previously owned by Shannon Development. We must use this Bill to ensure we can bring about the maximum number of jobs. I disagree with Deputy Naughten in this regard, as there is no point in having a science and innovation strategic framework that does not make a contribution to the economy as we need the economy to finance it and fund it into the future. The areas are not mutually exclusive and they are inextricably linked. We must foster growth.

As somebody with a background in science who has worked in the industry at Proctor & Gamble in Nenagh over a good few years, I welcome the Bill. I feel strongly that this is a Cinderella industry in terms of public administration in Ireland and it should be given much more credence. We need to get to a stage where the bench in front of me will have a Cabinet Minister with sole responsibility for the development of science, innovation, energy, engineering and technology.

Deputy Damien English: As a Deputy from County Meath, I welcome the opportunity to discuss the Industrial Development (Science Foundation Ireland) Amendment Bill 2012. The Neolithic complex at Newgrange, Knowth and Dowth is considered by many astronomers to be one of the oldest observatories in the world, so Meath people have been ahead in research for 5,000 years now. We want to try to stay there if it is possible.

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On a more serious note, this Bill is timely and necessary. Its focus on Science Foundation Ireland being allowed to fund applied research is a much-needed and targeted direction of our scarce resources in a practical way, which will promote greater commercialisation and job creation. As the chairperson of the Oireachtas Joint Committee for Jobs, Enterprise and Innovation, I have seen the need for this focus and called for this change for some time. We have had an interesting discussion on the topic over the past couple of years. To quote the Minister, Deputy Bruton, a key part of the Government's plan to create the employment we need is to ensure that the Government's core €500 million research is focused on turning good ideas into good jobs. That is what our constituents, the taxpayers and those who want to become taxpayers, want to see. If buzzwords like innovation, research, creativity and export-led recovery are to really mean anything to the man and woman on the street, they must translate into good jobs for them and their children. When we are in local schools in Navan, Oldcastle or Trim, we must be able to explain to the students that they have a chance to develop this and they will lead the way in creating jobs for the rest of their school colleagues.

Our State supports and encouragement by way of job creation and research should not just focus on securing Ireland's place as the EU corporate headquarters and research base of many important and successful US and global leaders like Facebook, eBay, Intel and PayPal, to name a few from a very long list. We must also encourage the young programmers, inventors, designers and thought leaders to give us the Irish-based brand leaders and multinational companies of the future. To this end, I will again highlight to the House the benefits of the various business support programmes to help people develop their ideas, concepts or innovations into sound business models. There are many of them out there but one example we have come across lately is Discovery Zone, a programme being run in Counties Donegal, Louth, Laois and Meath in conjunction with the local authorities and county enterprise boards. The Discovery Zone is an intensive, specialised and fully funded 12 week programme for professionals who find themselves out of work. Discovery Zone gives people the space, skills and support to explore the options of setting up a new business or seeking a new work direction, taking their idea to the next level.

Efforts should be made to join the dots between all the various institutes that fund research and groups that help the future business leaders so they can develop their ideas. I encourage a link up of such schemes to those benefiting from SFI research and innovation supports. We can spend millions of euro on all the different areas but if we do not join the dots we do not get value for money and the job creation we need. We need programmes like Discovery Zone to help us join the dots.

The success of our agrifood sector, demonstrated by Tuesday's announcement by Glanbia in Waterford, building on similar announcements by Kerrygold and Lakeland Dairies in recent times, show the strength of our local indigenous companies too. This Bill before us today acknowledges and will hopefully take it further. Like everything worthwhile in life, there is a gamble and risk involved, but we learn from our mistakes and the benefits to the State, its people and our national finances will be huge in the long term.

In 2003, we were placed 36th in the world for research overall and now we are 20th globally; in certain specific areas we are even higher. We have made great strides in a decade, although it is not easy in these tough financial circumstances. The challenge now is to maintain the upward trend in tougher times. Tough times encourage new thinking and provide a new energy to old problems. Why not aim to be in the top ten overall in global research leaders within five years, and the top five within the decade? The path of greatest resistance will always

be uphill but ambition breeds excellence. This excellence must also breed jobs.

Some purists would argue that this focus on jobs and bringing ideas into the marketplace debases science and academic research. We as an Oireachtas, however, passing a budget each year, would not be doing our job right if we did not at least inquire as to the success and potential for jobs resulting from investment in this important area. There were some interesting presentations this week when the various chairmen from the European enterprise and social protection committees came together in Dublin Castle to discuss issues like this. We had a major discussion of Horizon 2020, and the Commission representatives there to discuss funding for research and the need to drive entrepreneurship. Enterprise Ireland made a very good presentation on the work it is doing in its support unit to ensure we match people's ideas for research with funding and help. Success in the last five years in Ireland has doubled the money we have received from Europe for research. We must use that now.

The other worrying factor was that across Europe, entrepreneurial spirit is in decline. The numbers willing to take a risk to develop their idea or set up their own business are falling. That is because people are more concerned for the future. It is a scary thing but we discussed it and there are plenty of solutions to that problem. There is an onus on us all to encourage people and to become inventors and entrepreneurs. By changing the rules to redirect some of the money to applied research, and to be able to spend it in different ways, is a step in the right direction.

The protection of the Science Foundation Ireland budget of €152.3 million, with only a 2% cut, is to be welcomed in the current economic climate. I hope we can continue with that level of funding. The results must be judged over several years so we must bear in mind that this investment pays off in the long term. It is okay to tweak matters as go along to ensure we get better value for money and jobs.

Deputy Mattie McGrath: I am delighted to be able to speak on the Industrial Development (Science Foundation Ireland) (Amendment) Bill 2012. The purpose of the Bill is to extend the remit of Science Foundation Ireland to enable it to fund applied research in addition to its existing remit to fund oriented basic research. Oriented basic research is an internationally-recognised category of research and is defined as research that is “carried out with the expectation that it will produce a broad base of knowledge likely to form the basis of the solution to recognised or expected current or future problems or possibilities”. Applied research on the other hand is research directed primarily towards a specific practical aim or objective.

It is timely that we evaluate the situation with Science Foundation Ireland. The Bill also makes provision for a new function: to enable the foundation to promote and support awareness and understanding of science, technology, engineering and mathematics. The Minister for Jobs, Enterprise and Innovation transferred responsibility for delivery of the Discover Science and Engineering programme from Forfás to the foundation on an administrative basis with effect from 1 March 2012.

The Bill also provides for certain amendments to existing legislation relating to Forfás, Shannon Development and Enterprise Ireland. These are unrelated to the proposed changes to the remit of Science Foundation Ireland. The amendment relating to Shannon is a necessary amendment to the Industrial Development Acts to provide for new arrangements for the promotion of enterprise opportunities in the mid-west region.

Shannon Development, Enterprise Ireland and all those other agencies have had an im-

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portant role in the development of our country as a science-based economy. Obviously, time changes everything and there is a need to adapt. I see that as important. Listening to some eminent speakers from UCG at a function in Galway some years ago, we were told clearly that there were worries about the numbers and suitability of Irish graduates. I was told the same by eminent American industrialists when I had lunch with the American Ambassador in his residence a year ago that they were concerned about the quality and quantity of graduates applying for positions with the new FDI companies that are coming here. A year ago I was shocked to hear an American company had to bring its graduates with it and that it had to recruit from other countries in Europe.

I am not knocking Irish graduates but the focus must be changed. We were told quite starkly that this is happening and while we welcome the development of employment, and companies announcing their arrival here on a reasonably regular basis, it is a pity we cannot employ our own graduates because they do not have the appropriate qualifications. We must see if we can adapt to ensure our universities and institutes of technology are up there with the best. One particular issue is very important. At least 40% of direct investment comes from San Francisco but there is no direct flight. We must work on that. There are other areas we must look at to kick start the economy again.

Getting out to the RDS to see the BT Young Scientist exhibition is one of the highlights of my year. Like, I am sure, my colleagues or the large numbers of the public who go, I am amazed and aghast at the standard, initiatives, sheer thinking, skills, imagination, business intuition and nous for business of the stands there. Unfortunately, one would need a week to see them all. One is normally attracted to those from one's own county but I am not taking from any of the other counties. The standard this year, and the enthusiasm and interest, was something to behold. I salute all of those young entrepreneurs, their múinteoirí scoile who help, nurture and lead them along and, of course, their parents and families in supporting them and getting them to that point. I hope many of them will be our brightest and best and movers and shakers over the decades to come because they have it and they are well able. They have a different mindset from that of when we were going to school and different ideas on modern technology and everything, but even they have some simple solutions to ongoing problems.

I also would have to salute the South Tipperary County Enterprise Board for the gallant work it has done over the years on a shoestring in comparison with what other agencies use. I was a member of that board for a while. It is a retrograde step to have them dangling at the end of a string for the past 18 months as to their future. I do not agree with them being subsumed into the local authorities because there are horses for courses. Let us face it, there is Science Foundation Ireland, Enterprise Ireland and IDA Ireland. I was a member of a local authority for a good number of years and so was the Leas-Cheann Comhairle and many of us here in this House. The local authorities, like or lump it, are seen as a regulatory authority. One goes there for planning. One must deal with the local authority for a range of issues such as local development plans in which they have a regulatory role, environmental issues and control, and the veterinarian area to look after animal welfare. Unfortunately, they were never seen as having a stimulative or supportive role; I wish they were. It is a retrograde step to put the enterprise boards under their remit. While they are under the auspices of the local authorities, they have done a great job independently and they should be allowed to continue.

The same applies now with the development companies. Some of them had poor starts. The one in Tipperary had Leader I ten, 15 or 20 years ago. Merely because of some problem with one group in some part of the country, the Minister is going to throw the baby out with

the bathwater. The Minister has decided he wants to bring them all in under the auspices of the local authorities. It is wrong. It is a retrograde step for the reasons I mentioned. I am not saying that they should flout any laws or adopt light-touch regulation. People can go to their mentors and the staff in the offices who have the understanding. I salute the ones in Tipperary, both north and south, although I have more dealings with those in south Tipperary. Those staff adopt a bottom-up approach. They are not bogged down in regulations on such areas as planning and the environment. They must adhere to them but they are separate. They are a breath of fresh air and they can invigorate struggling small companies or new fledgling ones. It is another retrograde step.

I do not know what is the rush on the part of the Government to do this. We have seen what happened with SUSI and medical cards and everything that has been centralised. This is the same, bringing these in under those local authorities that are regulatory bodies and that are not seen as stimulative or job-creating bodies. Unfortunately, that is the legacy. That is not the local authorities' role. Their role has been regulatory.

The sole traders, who have the ideas and vision, need the support of the country enterprise boards if they go to them. Many of them never go near anybody. There are sole traders with limited education. These were merely persons with good ideas who had the vision, passion, enthusiasm and courage. They put their own savings into the development of their product or business and into achieving a great deal and employing. I am like a bad record saying here that if all of them were not even supported but deregulated in some ways to cut out bureaucracy, and were allowed take on one extra employee, we would halve the unemployment figures in the morning, whether it be in science and technology or whether it be in the ordinary trades in which they would be involved.

I must return to the thorny issue of the banks. This Bill and the Bills we are passing and promoting in this House are intended to help, but there is no money or support from the banks. The only interest of the banks, which are crucifying the people through both the previous Government and this Government in relation to the cost of the bailout, seems to be in improving their own balance sheets. They are not lending to small business. The relationship some of the sole traders I knew, and even I in my business, had with the bank manager was great. We knew them. Above all, they knew us. They knew our capabilities. They knew our drive and our passion and they took us at our word, which was our bond. Now there are mainly whiz-kids. The managers who I knew are gone. There are new men moved in and around and, invariably, there are some of the *mná na hÉireann*. I am not being sexist or anything else, but some of these staff do not have a clue about business. They could learn a great deal in public relations skills as well, in how to deal with customers. This applies right across the board. We need real presence and effort from Government to light a fire under the backsides of these bankers and tell them to come out and stand with, support and get to know the business people and entrepreneurs. It is badly needed.

I want to give a mention to the Tipperary Institute, the Limerick Institute of Technology, LIT, and the Waterford Institute of Technology. They have done much creative work. They have had many good leaders setting up in those areas over the years and they have provided many teaching courses and produced graduates. I welcome the amalgamation of LIT and Tipperary Institute that is under way. It can be mutually beneficial but there is a need for fair recognition of Tipperary Institute in that. Alongside LIT, we must think of the vision of the former county manager, Mr. Edmond O'Connor, and others who purchased a fantastic site in Clonmel on the N24 that was meant to be an high-technology industrial park. There are certain busi-

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ness persons interested and that must be supported. That vision must never be lost because it is ideally located. We have the entrepreneurs, we have the young people with the skills sets in the community, and they must be promoted and supported in every way. We must ensure those talents they have gained through their correct schooling, from national school right up to third and fourth levels, are supported, nurtured and, above all, encouraged in these times so that they do not shy away from it.

Anybody looking from the outside at a business and making a career choice sees the considerable difficulties in financing the economy, ordinary people being persecuted by the banks, and as I referred to in the past, the significant amount of State terrorism of those in business. Every letter one receives from the Revenue Commissioners has a jail term at the bottom of it. We do not treat the drug barons and their like with the same indignation. While I uphold the regulations of this country and the laws of this land, it is frightening to see the banks' behaviour towards indigenous and small businesses. It is simply appalling. With Revenue, the problem is the staff are being pushed and squeezed to keep the books balanced. Everybody knows the funds are drying up because the more austerity there is, the less money in people's pockets and the less spending, with the knock-on effect being less taxes.

It is time the staff in Revenue were brought out into business and shown what is happening on the ground. It is time that they were told to cop-on in their practice of charging draconian interest rates and penalties. We note every so often the defaulters in every county as listed in the Sunday newspapers and on local radio. In the main, these are not tax dodgers. They are decent people who set up businesses, worked hard, employed many, paid their taxes and fell on tough times. One will find that two thirds of the sum is interest and penalties. Recently I have been negotiating on behalf of a taxpayer in County Limerick with Revenue and it does not have an understanding. The staff have not got it because they went from college into Revenue, never worked in the real world and do not understand.

1 o'clock

All those officials should be re-educated as to the difficulties of running a business, promoting a business, having a business idea and having the vision, passion and energy to put in the effort and the long hours. They should be sent out compulsorily for a week each year, as we do with interns in here, to understand the basic *raison d'être* of what makes a business tick. They do not understand it and in many cases they do not want to know.

Then they pass on their demands to the sheriff - a lovely title. Some years ago the sheriff's agents arrived at the office of a good friend of mine at 1 o'clock and told him they would be back at 3 o'clock for €15,000 - I might be wrong with the sum. The first customer to come in after dinner discovered that the unfortunate businessman had taken his life. I salute the county coroner in Tipperary who described that as State terrorism. It is nothing short of State terrorism and it goes on every day.

It is going on at the moment in County Limerick and I am dealing with the sheriff. He arrived to a customer after negotiations following which his agent got back to the sheriff and back to the Revenue and signed an agreement. He went away with a payment and got agreement to have another payment of €10,000 by the end of June. He took away a logbook from a machine. It is highly irregular and illegal. He then signed an agreement with the farmer and arrived back three weeks later even though that agreement still stood with Garda vehicles with blue lights flashing and haulier trucks. They wreaked havoc on a family business of 40 years and seized

the machines. Worst of all they had to be sent to an auction house in Dublin and were advertised on the Internet with no VAT. They proceeded to sell them last Saturday for less than half the amount for which they were advertised by the sheriff. We now find that the person who agreed to buy them could not pay the deposit and so they are for sale again this Saturday.

What is going on is a scandal and until someone in Government deals with this how will we establish a proper ethos of entrepreneurs developing businesses using their genius, prowess, energy and enthusiasm to work the country out of its economic slumber? The Revenue might claim it has no control over the sheriff and how he engages the Garda and takes over. However, at some time someone will be seriously injured because of the trauma visited on decent businesspeople. I accept there are difficulties in paying the tax and reaching settlements. However, there must be mutual respect. If a written agreement is entered into by an agent of the Government, it must be respected. It is not just toilet paper and something that someone signs for convenience on the day.

There is much to learn here. We need to re-evaluate where we are and what we are doing, and then by all means we can pass this kind of legislation. Last week I criticised that the Companies Bill ran to 1,400 pages. We need to get our basics right and allow our businesspeople and entrepreneurs to breathe and above all to sleep in their beds. They should be free from the constant harassment of the banks and their agents, who act with total impunity. They send out third-force militias to beat up customers and break in to remove machinery - steal it. I have evidence of that happening. I will attend a meeting this evening in Gorey Garda station with the chief superintendent and superintendent about the behaviour of some of these thugs who have left people for dead on the road. We now find that the DPP has decided not to prosecute anybody. The State terrorism and how the banks have a licence to do whatever they want to do beggars belief.

These Bills mean nothing if we cannot get our fundamentals right. I do not blame the people who write them. The Minister, Deputy Bruton, is doing an excellent job and is doing his best. We need to get the fundamentals right and stop these Dracula-type vultures from sucking the blood from the ordinary people of Ireland. We need to stop threatening people and beating the spirit of entrepreneurship, enthusiasm and business orientation out of the people. The same will happen with the Bill we debated last night regarding homeowners and owners of second properties. It is draconian. We need to shout halt and re-evaluate, and listen to what Uachtarán na hÉireann has said, for which I salute him. I knew he was never going to be silent anyway, but it is important that ordinary people - workers, small businesspeople, ratepayers, taxpayers, young and old have some voice because unfortunately the previous and present governments have abandoned them to austerity and the troika.

We must also listen to the former head of the troika who said there was a menu of options on the table and we took the one of austerity. I do not know whom or what we are protecting here, but we are not helping the entrepreneurs and ensuring that business is promoted. Much as these Bills are welcome, they will not be worth the paper on which they are written if we do not get the fundamentals right and allow our people to regain their freedom to work, and use their enthusiasm, business prowess and simple courage to develop this country again. To hell with the bankers, chancers, speculators and officialdom in Ireland who are gone mad.

Minister of State at the Department of Public Expenditure and Reform (Deputy Brian Hayes): On behalf of the Minister of State, Deputy Sherlock, I thank the various Deputies for their contributions to the debate on this Bill. We are delighted to see unanimous cross-party

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support for this Bill, which is an acknowledgement of how important science and technology is to Ireland's economic and societal development. It is heartening to have had such an extensive discussion on SFI operations, and on wider elements of our science and education systems. It is also very encouraging to note that a wider audience now recognises the important role that Science Foundation Ireland, a small but highly efficient agency of just over 40 staff, is playing in our economic rehabilitation.

SFI is a national success story of which we should be proud. Almost on a weekly basis of late we have seen the direct, and indirect, positive consequences through various FDI and indigenous jobs announcements. These are in some way linked to SFI-funded research teams, contributing in some way to recent significant jobs and investment announcements by companies such as PayPal, Zurich, E-Bay, McAfee, Yahoo, Glanbia, FeedHenry, etc.

The main purpose of this Bill is to enable SFI to drive Ireland's economic future and to support excellent funding opportunities to realise the potential of this research for the wider economy. While the Bill is primarily about SFI operations, I know the Minister of State, Deputy Sherlock, is more than happy to engage on Committee Stage, in a broader conversation that covers the research prioritisation action plans. As there seem to be some misconceptions around the 14 priority and six underpinning areas, the Minister of State, Deputy Sherlock, will be glad to have the opportunity to discuss this further. He will also be happy to discuss the roles and functions of other research funders; supports for fundamental research - "blue-skies" research; and elaborate on Government plans regarding moves towards a new national science strategy in 2014.

I take the opportunity to correct or clarify a number of points that were made by some Deputies on 17 April. In his contribution, Deputy Boyd Barrett chose to use misinformed and outdated material that appeared in *The Irish Times* during the latter part of 2012. Without examining the evidence of various SFI and other agency funding announcements in recent months, the Deputy cited certain articles and quotes attributed to three people out of the several thousand research personnel who are directly involved in Ireland's scientific community as his weapon to deride Government's science policy.

I wish to correct some details that appeared in *The Irish Times*. SFI is not shutting down 27 research centres - it is not shutting down any research centre. Through its various centres funded programmes, there is a natural lifetime associated with an SFI centre award, be it on a three or five-year basis, and some centres will go on to a second term award. Assuming a centre is of true internationally recognised excellence, and of continuing direct relevance to a nation's educational and industrial base, over time it will invariably develop a range of funding streams which ensure its sustainability. This is as it should be; centres should not exist beyond their natural productive state or relevance and nor should they be overly reliant on one funder.

On the issue of support for mathematics, the largest single award under the 2012 SFI investigators programme awards announced at the end of January this year was a €2.7 million investment in mathematics to the Mathematics Applications Consortium for Science and Industry, MACSI, based at the University of Limerick. I wish to clarify a number of points raised by Deputy Calleary. We note the point made about appreciating where this SFI legislation fits in the overall jigsaw of our research offerings. In this regard, the Minister of State with responsibility for research and innovation wishes to inform the House it is his intention to look to deliver a new national science strategy in 2014 given that the existing strategy for science, technology and innovation, which commenced in 2006, expires this year.

We have not ceased funding supports for e-journals. The e-journals facility provides researchers in all disciplines electronic access to world-leading research databases and publications. Through the Department of Jobs, Enterprise and Innovation Vote, the Government will provide more than €4.5 million to maintain the provision of e-journals this year. Deputy Calleary also referred to an apparent suspension of the programme for research in third-level institutions. Through the Department's Vote this year we will provide approximately €40 million to continue support for more than 40 research projects and top-class facilities under the programme for research in third-level institutions.

At this juncture I wish to bring to the attention of the House the possibility we may table a small number of amendments to the Bill on Committee Stage which shall be of relevance to the rationalisation of certain functions that currently fall to Forfás. Following a recent Government decision it has been decided that certain functions relating to the Irish National Accreditation Board should transfer from Forfás to the Health and Safety Authority. As a consequence a small number of legal changes need to be accommodated quickly and these could be presented for consideration on Committee Stage.

Through this legislation, our ambition is that SFI will continue to fund excellent scientific research, which fosters innovation and enterprise leading to high-value jobs and improvements in our society. SFI is a key part of our science and enterprise ecosystem which aims to further develop our success in export markets, start and grow new companies, attract new foreign direct investment opportunities and further build Ireland's international reputation as an economy and a society. SFI has, in the period since its establishment in 2000, ensured the State's investment in research and development has transformed the research landscape in Ireland. The changes proposed in the Bill will enable SFI to deliver on the Government's aim to invest in areas linked to Ireland's future economic and societal needs and to accelerate the delivery of outcomes from this research investment. We welcome the positive outlook of Deputies towards the Bill and look forward to its passage following Committee and Report Stages.

Question put and agreed to.

Industrial Development (Science Foundation Ireland) (Amendment) Bill 2012: Referral to Select Committee

Minister of State at the Department of Finance (Deputy Brian Hayes): I move:

That the Bill be referred to the Select Committee on Jobs, Enterprise and Innovation pursuant to Standing Orders 82A(3)(a) and (6)(a) and 126(1) of the Standing Orders relative to Public Business.

Question put and agreed to.

Housing (Amendment) Bill 2013: Order for Second Stage

Bill entitled an Act to amend section 31 of the Housing (Miscellaneous Provisions) Act 2009; and to provide for related matters.

Minister of State at the Department of the Environment, Community and Local Gov-

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ernment (Deputy Jan O’Sullivan): I move: “That Second Stage be taken now.”

Question put and agreed to.

Housing (Amendment) Bill 2013: Second Stage

Minister of State at the Department of the Environment, Community and Local Government (Deputy Jan O’Sullivan): I move: “That the Bill be now read a Second Time.”

I am delighted to introduce this Bill to the House. The Bill is straightforward, making technical changes to section 31 of the Housing (Miscellaneous Provisions) Act 2009 relating to the charging of local authority rents. The amendments in the Bill will remove contradictory text from this enactment, thus enabling section 31 to be commenced in an effective sequence.

It was the intention to commence the relevant provisions of section 31 of the 2009 Act from the beginning of this year, to set in train the process of introducing the new rents system from 1 January 2014. However, the Office of the Parliamentary Counsel to the Government advised that text in subsection (5) of section 31 precludes the enactment from being commenced in a sequence which ensures a clear statutory basis for housing authorities to charge rents for their dwellings during the transition from the existing basis for charging rents to the introduction of section 31 rents. Parliamentary counsel also advised that amending legislation is necessary to enable section 31(5) to be brought into operation for a period which will permit housing authorities to make their first rent schemes under the enactment before subsection (3) is brought into operation empowering councils to charge rents under section 31 of the 2009 Act. Hence the need to draft the Bill I present today.

I will take the opportunity presented by this amending Bill to delete text from subsection (6) of section 31 which conflicts with a rent system where charges are determined by reference to household composition and income and, where applicable, the cost of facilities provided to dwellings. I have no intention of departing from the long-established practice whereby local authorities charge rent for their accommodation based on household income and, to this end, I will remove text from the regulation-making power in section 31 which refers to other criteria for setting rent, including local market rents and the cost of providing social housing support.

Local authorities charge rent for their accommodation under section 58 of the Housing Act 1966. Responsibility for setting local authority rents has been devolved to individual city and county managers since 1986, with the result that throughout the country there is now wide variation in rent levels, and the method of their calculation, for dwellings funded wholly by the Exchequer. Section 31 of the 2009 Act facilitates significant harmonisation in rents charged while providing the elected members of local councils with some discretion in setting rent parameters in their areas. Harmonisation will be achieved through regulations that will be made in the period following enactment of the amending Bill. The intention is to charge a base rent for each household member, plus a differential rent based on a proportion of net household income in excess of a threshold which varies according to household composition. Under section 31 of the 2009 Act, individual housing authorities are also empowered in their rent schemes to include charges in the rent relating to the costs of works and services provided to the dwellings under the Housing Acts. The regulations will provide for a transitional period to allow for a phased introduction of material adjustments to rent levels arising in individual cases under the new system.

The intention is to harmonise the approach to the setting of rents in as equitable a manner as possible to limit rent increases for individual households as far as practicable while also ensuring local authorities receive sufficient rental income to manage and maintain their housing stock into the future. It is critical we implement this reform measure properly as it represents a fundamental improvement on the existing fragmented approach to the setting of local authority rents throughout the country.

As it will be of interest to Deputies, I will provide more context through outlining my plans for more substantive social housing legislation in the future. The Department is formulating proposals for the general scheme of a miscellaneous provisions Bill which I hope to bring forward later this year. This will provide for a new scheme of housing assistance payments to implement the Government's decision in principle in March 2012 to transfer responsibility for long-term rent supplement recipients from the Department of Social Protection to local authorities.

In addition, the Bill will put in place a new procedure for the repossession of local authority dwellings to replace section 62 of the Housing Act 1966, which the Supreme Court declared in February 2012 to be incompatible with the European Convention on Human Rights in certain circumstances. The Bill will also underpin current requirements in relation to the entitlement of non-Irish nationals to be assessed by local authorities for social housing support.

I am also planning further housing legislation providing for a new tenant purchase scheme for existing local authority houses along incremental lines and other provisions following on from the implementation of the Housing Act 2009 which provides for, and underpins, many of the reform measures proposed for this sector.

As stated, this is a short and purely technical Bill that is required to facilitate the effective commencement of legislation that has been enacted. I look forward to the co-operation of the House in securing its early enactment.

I commend the Bill to the House.

Deputy Barry Cowen: I wish to share time with Deputy Kitt.

Acting Chairman (Deputy Seán Kenny): Is that agreed? Agreed.

Deputy Barry Cowen: We will support this technical Bill, which builds upon the legislation introduced by Fianna Fáil in 2009. We realise it will facilitate the introduction of the new rent system for local authority housing under section 131 of the 2009 Act, to be administered by housing authorities within their existing financial and staffing resources. We acknowledge the facet of the Bill which allows local authority members to have an input into that process. That is to be welcomed as it takes cognisance of local knowledge such members have on foot of representations they regularly receive from the local authority sector, as well as their knowledge of the wider area they represent.

The Bill does not set out a definitive national standardisation differential rent scheme, however. The regulations to be made will set out more clearly the matters that may be included in a local rent scheme, including the level, type and source of household income that may be assessed for rent purposes; how dependants will be accounted for in calculating rent; the manner in which the size and standard of any class or classes of dwelling are to be taken into account in determining rent, having regard to the market rent in respect of similar size and standards in

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the administrative area concerned; and procedures for rent reviews.

The 2009 Act amended previous Housing Acts from 1966 to 2004 giving local authorities a framework for a more strategic approach to the delivery and management of housing services. That framework provided for the adoption of housing service plans, homelessness action plans, anti-social behaviour strategies, new and more objective methods of assessing need and allocation, and a far more effective management and control regime covering tenancies and rents.

This Bill concerns housing law and affects the means by which rents can be assessed and agreed thereafter. It allows us to assess continually the needs and difficulties that have arisen and do arise regularly, more so at this time as a result of the crash that has occurred and the current economic situation.

I welcome the Minister of State's reference to the housing (miscellaneous provisions) Bill which will give effect to the decision for local authorities to manage rent subsistence and allowances. I ask the Minister of State to bring that measure forward as soon as she can. I had hoped it would have formed part of the Minister of State's strategy and be alluded to in the Bill before us.

I also welcome the commitment to a further tenant purchase scheme. The Minister of State should consider a Bill we are putting before the House concerning social housing agencies. At present, it is not possible for tenants to buy out such houses. Our Bill will seek to allow tenants an opportunity to do so in future. The Minister of State should respond positively to that measure with a view to enacting legislation to allow that to happen.

By its very nature, this topic brings us to consider the grave housing crisis we now have, which is predominant throughout the country. We all receive regular representations from those in need of housing. The number of those with such requirements has grown to huge proportions in recent times. There are 100,000 applicants for local authority housing services countrywide, which can be described as a crisis.

As part of our own internal policy formulation process, I have discussed these matters with members of our party throughout the country. They include local government reform, water services, urban renewal requirements and the commercial rates crisis. An effort is needed to rebalance the discrepancies that now exist between out-of-town centres and conventional town centres. In response to that process, it has become apparent that the major task for and onus of responsibility on local authorities concerns the housing crisis. There is frustration and despair about the lack of appropriate schemes to meet that need.

The Minister of State has been entrusted with that responsibility which needs to be brought to bear sooner rather than later. I acknowledge the Minister of State's references to certain inclusions in the housing (miscellaneous provisions) Bill. It is incumbent upon her, in reaction to that crisis which is so prevalent and is having such an effect on or society, to bring forward a coherent and effective means by which the Government can address that in co-operation with local authorities.

The failure heretofore to utilise NAMA properties to address housing problems is a damning indictment of the failure of imagination on the Minister of State's part to confront these challenges. There was always an expectation that a social dividend would emanate from that source. Unfortunately, as legislators, we cannot say with any authority that such is the case, nor can we point to any success in that regard. That matter needs to be addressed.

I also wish to refer to the new local property tax in the context of local authorities' responsibilities and rents. Unlike the household charge, local authority housing units are not exempt from the local property tax, so councils will be charged for the due sum. There has been much talk about empowering local authorities and increasing the sources of revenue available to them in the delivery of services they are expected to provide, no matter how diminished they may be. However, in empowering local authorities and formulating and setting in train a concrete means by which funding will be guided towards them, only 60% of local property tax, as collected nationwide, will be equalised and redirected subsequently to the local authorities. As the Minister of State is aware, many local authorities were penalised for their failure regarding the collection of the household charge. I might add this was through no fault of their own but was more as a result of the manner in which the issue was managed and delivered. However, they were penalised quite substantially regarding the funds that had been allocated initially to them as part of the central government allocation and this would have had an effect on many of their programme delivery services and facilities thereafter. Moreover, the Bill before Members, which deals with the setting of rents by local authorities for tenants, makes no reference to the impact of the property tax on local authority tenants. In this context, local authorities are taking varying approaches, with some adding the charge onto annual rents, while others are absorbing it directly on their balance sheets. This flies in the face of the commitment given by the Department of the Environment, Community and Local Government to increase the source of funding to local authorities as they must now subsume this cost instead. As the Minister of State is aware, the tax on local authority housing will be €45 for each unit in 2013 and €90 in 2014, being a full year. Moreover, the level of increases in future years is unknown as the Government, probably inevitably, will seek to hike up the tax and the income derived therefrom. Were local authorities to pass on these costs to ordinary home owners, it would be another sharp blow to the already struggling low-income households nationwide.

The decision to impose local property tax on local authority homes generates real and increasing financial difficulties for embattled councils, which have already had their funding slashed, when one considers other sources of revenue streams to which they had become accustomed or on which they had been dependent. I am conscious of issues such as commercial rates and the collapse in revenue in that regard, mainly as a result of the failure to address that issue when one considers that rents have fallen by 75% in many cases but local authority rates have only fallen by a maximum of 5%. This is based on the decision of local authority members, in their best efforts and interests, to try to reduce the burden but who are being hamstrung by virtue of the archaic system that still exists and which must be overhauled. In addition, by virtue of the fall-off in planning and development activity, there obviously has been a fall-off in planning fees, development charges and so forth. Some local authorities are seeking to be innovative by slashing such development charges with a view to trying to encourage inward investment and development in their respective counties and I commend them on that. However, there must be greater leadership from the Department of the Environment, Community and Local Government to tackle and overhaul the revenue streams, to take account of the difficulties in that regard and to come forward with innovative ways and means by which such local authorities can attract investment into their towns.

As Members are aware, differential rents are calculated in a differential rent scheme that assesses the income levels of the principal earner. However, this varies from council to council with, for example, the lowest rate at present being 10% in the South Dublin County Council area, whereas the rate in County Offaly is 22%. These differing rates reflect the discretion available to local authorities and I acknowledge this to be quite right and appropriate. However,

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members of the electorate should be aware of the difference and should hold to account their local councils in this regard. These differential rent rates should be published by some means on a regular basis to enable people to access them at any time. As for waiting lists and NAMA, I note the Minister, Deputy Hogan, stated that 2,000 housing units would be made available in 2012 for people on social housing lists. However, this was not the case and one must analyse honestly and appropriately the reasons for this and then learn from them with the aim of putting in place an effective means and manner by which this might be improved when the Minister of State brings forward her miscellaneous provisions Bill. I reiterate that NAMA was committed to a social dividend in its work by using its property portfolio for local authority housing. This goal is even more necessary considering a point I should have made in respect of the revenue stream. The conventional housebuilding mechanisms employed by local authorities in the past have been washed away and the private development dividend arising from the Part V provisions obviously also has been wiped away.

From Fianna Fáil's perspective, the technical aspects of the Bill are agreed, are necessary and take account of the current situation. I welcome the measures included to allow a better and more appropriate balance in the formula devised by local authorities in setting the rents. However, as I stated, the broader issue must be addressed. As I noted, conventional housing construction on the part of local authorities is now a thing of the past as the level of funding being provided to them simply does not allow this to take place. Similarly, the amount of funding provided towards housing repairs has been slashed to almost nothing and, as I stated, the Part V provisions have been lost. I acknowledge and was glad to hear the Minister of State's comments on house purchase schemes. I ask her to consider the Bill introduced by Fianna Fáil, which would add social housing units to that equation. The trend that has evolved regarding funding towards housing adaptation, in both private and public housing, is extremely worrying. From a local authority perspective-----

Acting Chairman (Deputy Seán Kenny): The Deputy should be aware that 13 minutes remain in the slot.

Deputy Barry Cowen: Yes, I am about to conclude and will then allow my colleague to finalise the contribution. For example, in 2010, the allowance in County Offaly for this scheme was €350,000, whereas it is €46,000 or €47,000 this year. There has been a complete collapse, which leaves that county council in no fit state to address the adaptation measures that are necessary to accommodate those who, through no fault of their own, unfortunately cannot but must avail of appropriate facilities in their housing and who need housing adaptation. The position regarding the private sector allocation for housing adaptation is similar in that the funding levels through Offaly County Council in 2010 were €2.25 million, while this year they amount to €625,000. Some of my constituents have been assessed as having a category one status, which means they are in dire need of adaptation and of extensions or facilities to meet their current medical needs. However, through no fault of the local authorities, they are receiving letters stating that based on the funding trends, they will be on a waiting list for three to five years. It is extremely painful for me or any other public representative to be obliged to convey this message to people who are in such dire need.

On the whole, I look forward to the bringing forward of a miscellaneous provisions Bill. I expect, hope and have no doubt that based on the representations the Minister of State receives, as do other Members, she will take a holistic approach to addressing this issue in the requisite manner, based on there being a crisis. Rental assistance, the rental accommodation scheme and all those schemes were almost a quick-fix solution when the well ran dry a couple of years ago.

However, there has been time to assimilate their effectiveness or otherwise. There has been time to investigate and be aware of the drastic situation that obtains at present. It now is time for the Government to prioritise and to make tough, hard decisions on the basis of the extant needs within each relevant Department. I have no doubt but that having been made aware of this issue on a regular basis by her constituents and by local authority members and colleagues, this will be brought to bear in the allocation the Minister of State succeeds in achieving from the Department. More appropriately, a mechanism or scheme that addresses this will achieve the level of finance required.

Deputy Michael P. Kitt: I thank Deputy Cowen for allowing me some of his time. I welcome the Bill. As Deputy Cowen noted, similar legislation was introduced in 2009 by a Fianna Fáil Government and this Bill, which is technical, will build on that legislation. It gives us an opportunity to look at the whole situation, namely, the big housing waiting list, estimated to be 100,000 people on local authority lists waiting for social housing. It also gives us an opportunity to discuss how to utilise the NAMA properties to help to deal with waiting lists and the provision of housing. Local authority rents have a certain impact on property taxes and council finances, whether the council is imposing charges on tenants or absorbing them onto its own balance sheet.

I support what has been said about the new tenant purchase scheme mentioned by the Minister of State. I hope she might consider a situation whereby voluntary housing tenants could buy out their homes. I have been raising this issue for a number of years, as has Deputy Seán Ó Fearghaíl, who is to publish a related Bill. People in voluntary housing often believe that no allowance is given for the length of time they are in a house. They believe their rent should be going towards a house purchase or to have some such provision. If we continue the way we are, most tenants will go to the local authority for housing, hoping they will one day be able to buy the house they get. Meanwhile, we are in a kind of limbo situation. People are waiting for a new tenant purchase scheme to see if they might get a better deal than what is offered by the current scheme.

I refer to homelessness. I have written to the Taoiseach's office in respect of the campaign by many housing non-governmental organisations for the right to a home, in an attempt to have this proposition added to the second phase of the Constitutional Convention. I hope it will be debated at the convention because it is an important issue. I also welcome the commitment by the Minister of State and the Government to end long-term homelessness by 2016. We should focus more on preventive measures in respect of homelessness. In particular, we need more housing units in our major cities and towns where this has been a very serious issue for some time. There was very little about young people in the policy document published by the Minister of State. I do not know if we have complete figures for those who are looking for housing because of youth homelessness. I hope the Minister for Children and Youth Affairs, Deputy Frances Fitzgerald, will look at that issue in particular, as was mentioned by Government.

The Simon Community has stated that every week in Dublin up to 50 new people are turning to homeless services, which gives a clear indication of the scale of the crisis. I hope the Government will give a commitment to deliver a road map, as it has stated it will do. In recent times we had a briefing from Focus Ireland on the effect of the half-rate social welfare payment for young people, especially those experiencing homelessness. It was a very useful briefing but I understand that on the foot of parliamentary questions from Deputies and other inquiries made, the Minister for Social Protection, Deputy Joan Burton, has argued that this is primarily a housing issue and not the primary responsibility of her Department. This is like the chicken and

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egg situation - which comes first? I hope the Department of Social Protection will look again at the situation of claimants aged under 25 years of age so that an income can be provided for those people. At present, the reason given for the reduction in the payment is that there should be an incentive for young people to take up training or work experience but it is most unfair that this decision is affecting their opportunities to get housing. I am told the Minister, Deputy Burton, is to have a meeting with the relevant people in her Department, provisionally dated for 8 May. I look forward to that and hope we can resolve the problem.

In today's *Galway Advertiser* there is a headline stating: "Galway's homeless are homeless longer than they should be", which comes from the non-governmental organisation, COPE. It makes the point that many people in Galway city are ending up homeless for much longer than they need to be because of the shortcomings in the rent supplement system caused by increasing cap levels. This has made it very difficult for people to get accommodation. I hope the Department can simplify the application process and allow social protection officers to have discretionary powers in regard to the exceptional payments that can be made available. That was the difference in the past; community welfare officers had more discretion. Now that they are under the Department of Social Protection I do not see them having that discretion, which is very regrettable. A submission has been made to the Department of Social Protection by COPE Galway and the voice of its client forum. I hope the measures they propose will make it possible for people to secure affordable accommodation in the city.

If I may, I will give some figures on rent levels in Galway city. Some 17 of the 162 properties advertised fell within current rent cap levels and these accepted tenants on rent supplement. The survey found that one-bedroom properties in particular were in very short supply, the average rent in the city was €630 per month and the monthly rent cap for a single person household for this property size is €450 and €540 for a couple. The situation families face in finding housing within the rent cap levels is no less challenging, with an average monthly rent of €762 for a three-bedroom property which is well above the current rent supplement of €700. One of the COPE Galway people stated:

Our experience in working with and supporting those who are homeless or at risk of homelessness to find accommodation is that rents are simply too high for people depending on rent supplement. This is resulting in people being homeless for much longer than is appropriate or necessary.

This situation is causing great distress for people. I am informed that in some instances people are entering into informal and illegal arrangements with their landlord to pay top-ups from their income support in order to make up the difference and secure housing. I hope the Department of Social Protection will look again at rent caps and revise the levels and that we can have a better situation in the future.

I refer to NAMA, as mentioned by Deputy Cowen. The Minister for the Environment, Community and Local Government, Deputy Phil Hogan, stated that 2,000 housing units would be made available in 2012 to people on social housing lists. I hope we will see a dividend from that. I understand that only 203 properties have been acquired from NAMA to date, with a further 65 units in negotiation. This is a very small number in when compared with the numbers in need of housing.

Previous legislation dealt with the action plan for homelessness; anti-social behaviour strategies; objective methods for assessing need and allocating housing; and a more effective man-

agement and control regime for tenancies. Rent assessment has given rise to major concern because methods appear to vary between local authorities. Deputy Cowen noted that the lowest level for the differential scheme is 10% in South Dublin County Council and the highest is 22% in County Offaly. That reflects the discretion allowed to local authorities. Members should hold their respective councils to account on the rents they are charging.

I thank the Minister of State for introducing this technical Bill and hope we will have an opportunity in the near future for a full debate on housing, homelessness and the difficulties faced by young people who are homeless.

Deputy Dessie Ellis: Cuirim fáilte roimh an Bille seo ach tá inní orm maidir le rudaí áirithe. I welcome the Bill in so far as it allows elected public representatives to take part in the setting of rent rates in all local authorities. This already happens in some areas but currently it is not set out in law.

Any system that allows rent levels to be set by a county or city manager without input from the elected representatives who are accountable to the people is wrong. Local councillors are best placed to ascertain the reality on the ground in respect of housing in their areas. They know better than most the cost of private renting and purchasing property. They are acutely aware from their local work of the standard of living of the people in the area, as well what they can afford, what they need and where they need it. This Bill will allow councillors to do that job and enable the people to hold decision makers to account.

It is unfortunate that we have waited over two years for a Housing Bill. This Bill is welcome but it leaves many important issues to be addressed in two other planned Housing Bills, which I fear will be similarly narrow. Housing remains a major problem in this State. The Government's failure to tackle this problem has allowed needs to grow, rents to rise, conditions to deteriorate and savvy landlords to make profits in the absence of public provision. The Government has failed tenants, homeowners and those seeking a home, and this Bill will do nothing to change that. The Minister of State is aware of these failures and I believe she wants to address them but neither the Government nor her Department has any desire to act. I am tired of pointing out that housing needs are at their highest since the foundation of the State and that many applicants have been on housing waiting lists for years but I must continue to do so while the figures are not decreasing. It is a millstone around the Government's neck that we cannot let it forget. Something can be done but nothing is being done.

The depletion of our housing stock, the over reliance on the voluntary sector and the drive to subsidise private landlords and developers providing below standard housing at a very high price are not new policies but they are being happily pursued by this Government. The Government continues to spend over €500 million per year on rent supplement and RAS. This is tantamount to an admission of failure. Instead of building homes and collecting rent the State funnels huge sums of public money into private hands to provide unsustainable and insecure housing. What has the Government done to cut this bill? It is certainly not providing real public housing.

The Minister for Social Protection, who thankfully will not have her hands on rent supplement for much longer, attempted to use rent supplement recipients as a tool to beat down rents and reduce costs. Not only did this tactic fail miserably in reducing rents but it also left many families in precarious situations and put some on the street. Where once the State provided housing now it is pushing families out of their homes because adequate housing is not cost ef-

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fective in a housing support system. Focus Ireland reported earlier on this year but nothing has changed. Rent supplement recipients are now being asked to reduce their rent below market norms at a time when rents are on the increase. In 2012 there were four times fewer homes available for rent in Dublin than in 2009. Dublin rents rose by 6% between 2010 and 2012. Rents are likely to increase further as rental properties remain scarce. This is the result of emphasising housing support over housing provision. Housing supports are not about supporting the people who need housing but about shirking the Government's responsibility and subsidising landlords. Yesterday the Government tabled a Bill which will see an increase in repossessions. With nearly 50,000 buy-to-let mortgages in distress, there will be huge repercussions for the rental market and the cost of rent. Landlords who survive will be able to charge even more extortionate rents for flats which are below par.

I have dealt with a considerable number of families facing eviction after the banks rolled in to take control of the homes they were renting. They paid their rent and kept their side of the bargain but now with the banks desire to sell on the property for a quick buck or simply it's unwillingness to act as landlord, these families face being left homeless. Worst of all is the fact that many of these rents are being subsidised by the public purse. Landlords are not using the money they are being paid to secure the homes of these families. This is a disgrace. People on rent supplement and RAS are in low income brackets and are in no position to go searching for new accommodation at a time when rents are spiralling. Increasingly landlords are advertising that rent supplement will not be accepted. I have raised this issue until I have turned blue in the face. I have called for a code of conduct for banks and lending institutions to protect tenants. Sinn Féin has called for tighter control over the rent supplement system to ensure that the best deal is reached for the public purse and that tenancies are managed and secured. None of our recommendations has been heeded. RAS was sold as a great step for people stuck in the rent supplement poverty trap. People who signed up could work and were guaranteed that they would be housed. Now I am dealing with families in RAS who face eviction by banks, some of which are owned by the State and because no social housing is being built the local authority cannot live up to its side of the bargain. These families sit at home waiting for the knock at the door to throw them out. This is not news to the Minister of State or her Department.

However, the problem goes beyond provision of housing. Standards have been allowed to deteriorate or remain poor, particularly in the large urban centres. A recent inspection blitz by Dublin City Council found that 90% of flats in certain parts of Dublin did not meet the most basic of standards. These figures make for disturbing reading even though I was already aware that conditions of housing on the bottom rung are very poor.

2 o'clock

Dublin is returning to the days of the slum landlord and it is certainly not alone in this regard. This is not 1913 and the current conditions are not acceptable in this day and age.

When we tell people their rent is too high to continue to be eligible for rent supplement, we are telling them to move to slums because we will not support them elsewhere. People do not choose to live in slums; they live in them because the Government has not provided an alternative. With this in mind, it is especially scandalous that the Government has seen fit to extend the responsibilities of the Private Residential Tenancies Board, while declining to provide the PRTB with any State funding. As a result, the board has been forced to cut staff and outsource services. The Government has given some mealy-mouthed commitments but provided little to assist in achieving them.

Local authorities will have greater powers to act on shared ownership agreements. Seizures are already taking place in this area. The proposed solutions rehash failed policies. As I stated, housing held by the National Asset Management Agency will not be used for social housing provided by local authorities but transferred under lease arrangements to voluntary housing bodies. The ever increasing role of the voluntary housing sector in delivering housing needs at the expense of local authorities is a worrying trend. While there is no doubt the sector performs a magnificent and welcome role, this should not come at the expense of local authorities which have traditionally done a great job in delivering and managing social housing. It is also infuriating that properties leased by NAMA under these arrangements will be returned to developers when the lease agreements conclude in ten, 15 or 20 years. Thus far, only a few hundred homes have been delivered under this arrangement and only for a limited period.

The State cannot run away from the fact that the private sector is neither willing nor able to provide the housing needed by 98,000 people on the housing waiting list. It is failing to provide proper housing for many of the 94,000 people on rent supplement. In addition, the 24,000 people on the rental accommodation scheme are in an insecure position because buy-to-let mortgages are under threat following the Government's decision to close a loophole that is preventing many repossessions.

Sinn Féin has proposed measures to implement a major house-building initiative which would result in work commencing on 9,000 new homes in the next two years and thereby create employment, reduce rents and remove people from housing waiting lists. We have called on local authorities to renegotiate rent supplement and rental accommodation scheme rates and asked the Government to take some appropriate NAMA housing into permanent public ownership. While these measures would not solve the crisis overnight, they would constitute a start and show the Government is serious about providing housing and meeting its objective of ending homelessness.

Landlords are increasingly playing hardball with tenants by resisting cuts in rent supplement payments. People are panicking and frantically searching for new places to live on lower rents based on the new rent supplement rates set by the Department of Social Protection. The special purpose vehicle established in NAMA to deliver social housing through leasing initiatives for local authorities and voluntary housing bodies appears to be proceeding on a "go slow" basis, which is not good enough.

The Minister of State indicated it is her intention to reform section 62 of the Housing (Miscellaneous Provisions) Act. Such reform is urgently required as many families and local authorities are seriously worried about some families who are causing serious anti-social problems. The Supreme Court ruling in this matter and the response of the European Court of Justice need to be urgently addressed.

I welcome the decision to remove section 31(6) of the Housing (Miscellaneous Provisions) Act. Local authorities have traditionally set rents on the basis of household income and it would be wrong to change the position.

The housing sector has become an increasingly large problem and two further housing Bills are due to be introduced. I do not know what was the Minister of State's position on the property tax or whether she resisted the decision to impose the charge on local authority housing. The tax will inevitably be added to rents. Given that local authority housing was traditionally excluded from such taxes, I appeal to the Government not to apply the property tax to the

local authority sector.

Thousands of homes are at risk of experiencing problems caused by pyrite. The Minister must urgently progress the measures he has introduced to tackle the problem.

I am concerned about the problems faced by residents of Priory Hall, which is an example of a housing development that turned into a disaster. The problems of the residents have not yet been sorted out and while I accept the matter is before the courts, pressure must be applied to have the problem addressed.

It is a good idea to shift the eligibility criteria for social housing in all local authorities to time on record. The process whereby some local authorities use a points system while others use different mechanisms for allocating social housing is flawed. I concur with the Minister of State on the necessity to standardise the system. This should be done quickly as constituents of mine have been on housing waiting lists for ten, 15 and 20 years without making progress. Moreover, others have joined the waiting list ahead of them and managed to secure social housing, which is a scandal.

The Minister of State indicated that local authorities will assume responsibility for the administration of rent supplement. This is a welcome decision as all matters related to rent supplement should be handled by local authorities. The Minister of State indicated previously that responsibility for the matter would transfer in 2014. Is that still the case? It is important that rapid progress is made on this matter.

While I support the Bill in principle, closing a loophole could open a Pandora's box and result in an increase in the number of repossessions. This possibility should be carefully examined and rules and regulations implemented, including the introduction of a code of practice for the lending institutions. Having spoken to representatives of Ulster Bank and other financial institutions, I was extremely unhappy with their position on this matter. For this reason, it will be necessary to engage further with the lending institutions to ensure the closure of a loophole will not be exploited. The provisions of the Bill could technically provide greater scope to local authorities to repossess homes purchased under the shared ownership scheme. I am concerned because problems may arise for any agreement made prior to 2009.

I look forward to the other two housing Bills the Government plans to introduce. It is a pity they will not be expedited because the housing crisis is getting worse.

Deputy Brian Stanley: I welcome the Bill, which will increase the power of local councillors. Sinn Féin wants stronger local government and seeks the transfer of decision making powers to local councils that are adequately funded through progressive taxation and rates. We want the maximum devolution of power and functions to local government. The Putting People First document is light on detail on the devolution of new roles and functions to local authorities. While it makes some suggestions in this regard, I hope it will result in fundamental powers being transferred from Government Departments to local councils because elected representatives should have maximum control at local level. Ultimately, they will be obliged to go back to the public and, therefore, they must interact with the public. This will shift a certain amount of power from city and county managers to elected councillors, which is good. In obtaining power to set rents and have an input thereto, councillors will need to tread wisely. They must not impose rents that are too high, particularly on those who are struggling to pay bills and put food on the table. Any rent schemes that are introduced must be fair and equitable.

I cannot find in the Putting People First document a strategy relating to real and substantive reform of local government. However, I look forward to the debate on the matter in the hope that we might extend the parameters to some degree. It appears that the Government is proceeding in a piecemeal fashion and this Bill is evidence of that, particularly as it has been introduced in the absence of a proper strategy. While I accept it is a move in the right direction, it does not go far enough. The Bill has been brought forward against the backdrop of the housing crisis and the introduction of the hated family home tax, otherwise known as the property tax. Local authority tenants will not be exempt from its provisions. It is strange that no information has been forthcoming with regard to how this is going to be dealt with by local authorities. The City and County Managers Association has not indicated how it proposes to proceed in respect of what is envisaged. The Department and the Minister, Deputy Hogan, have also failed to provide any indication of how it is intended to proceed. Local authority houses are going to be valued at up to €100,000. Tenants are concerned that the tax will simply be imposed on them by local authorities through increases in rent. That would be unacceptable. Sinn Féin continues to table motions on this matter at council meetings in an attempt to stop that from happening.

The question which arises is whether local authorities will pay the property-home tax relating to the houses they own. They may be able to do so during the current year because the period of payment is only six months. This means that they will only be obliged to pay €45 per house. The local authority in County Laois, which is small enough, is still going to be obliged to find €180,000 to pay the tax on approximately 2,000 council houses. The council may absorb that cost this year but its members have not been informed as to whether this will be the case. That is extremely interesting because the councillors were not informed about the position with regard to the tax when they set their budget last November or December. If they cannot come up with the €180,000 I mentioned, they will be obliged to find a crock of gold somewhere. Next year, the amount the council will be obliged to pay will be €360,000. I do not believe it will be able to carry this cost unless it manages to perform some kind of Houdini act. The group which controls the council will not want or will be reluctant to impose a charge on tenants in light for the impending local elections and the advent of water charges. All of these charges are beginning to pile up. Local authorities will not be able to absorb the cost of the tax next year. It will be interesting to see what is going to happen. I have heard nothing from the Minister of State, the Minister, Deputy Hogan, the Department or the City and County Managers Association on this matter. The word “property” assumes ownership but local authority tenants do not own even one of the bricks used to build their homes. For this reason, the local property tax is wrong and it should be scrapped.

Everyone recognises that there is a housing crisis at present. Huge numbers of people are on waiting lists, with over 100,000 applicants awaiting housing. This crisis is compounded by the fact that there are over 30,000 empty houses in unfinished estates. Many of these properties are lying dormant. There are 65 unfinished estates in my county. I accept that this is not the current Government’s fault. It is the legacy of the light touch regulation that obtained under the previous Administration, the strings of which were pulled by developers and bankers who knew it all. Anybody who opposed these people was damned for doing so. In County Laois there are 1,700 individuals who can only live in hope of being housed at some point in the future. This is at a time when many houses are lying empty. It is unacceptable that the Government is continuing to bail out the banks while the housing list is in its current state. Where is the bailout or the social dividend for the people? The situation in which we find ourselves is absolutely ridiculous.

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The Government must do two things. First, it must seek to put those families who are waiting to be housed into houses. NAMA has identified 3,200 apartments and houses which are ready for habitation. It is somewhat shocking, therefore, that according to the most recent figures I have seen only 110 contracts have been signed. That was confirmed on Question Time yesterday. The Department is assessing a further 500 houses on unfinished estates to discover whether they are suitable to be used as social and voluntary housing. Even if these are all approved, it will mean that only 500 out of 30,000 applicants will be housed. That is a disgrace and by any standard it represents a failure on the part of the Government to tackle this issue. With respect, the Department of the Environment, Community and Local Government is moving at a snail's pace on this matter. The Minister of State indicated yesterday that there is a special purpose vehicle within NAMA which was set up to fast-track the response to this issue. I welcome that fact. However, the vehicle in question is not even in first gear yet. It is extremely frustrating that large numbers of houses on unfinished estates are lying idle when there are so many people on waiting lists. Some of the houses in question are near completion and finishing construction on them would provide work for some individuals.

I am not sure whether the Government actually appreciates the depth of this crisis. Priority must be given to investing the resources necessary to assess houses owned by NAMA and on unfinished estates and allocate them to those awaiting housing. I urge the Government, if necessary, to introduce legislation to allow local authorities to purchase these houses at knock-down prices. At present, they are being leased from landlords on a long-term basis. I can discuss the economic madness of this with the Minister of State at another time or I can do so now if she wishes. The Government should, if it proves necessary, use compulsory purchase orders to buy the properties in question at knock-down prices and put them to use as social and affordable homes. There is a precedent for this. In the past, and under Fianna Fáil and Fine Gael Governments, the Land Commission purchased unused and under-used land at knock-down rates and leased it to small farmers who did not have enough land of their own.

The second action which the Government must take is to put in place the type of local authority building programme which my party has been seeking for some time. Before, during and after the boom, our repeated request has been for public investment. If the State - in partnership with local authorities - does not take the initiative, then the private sector completely controls the market. That is not healthy. Social housing is something of which we should be proud. This State can certainly be proud of its record in respect of such housing, which gives rise to multiple benefits for the economy, local authorities and communities. Social housing helps to stabilise the market and it provides housing for those who need it but cannot afford it. In addition, it provides badly needed jobs. Far from being a drain on the resources of Laois County Council, local authority housing in the county has given rise to rental income of €3.5 million this year. Rents in Laois are very low. I have seen examples of rents in other counties which are far higher. Less than €700,000 of this €3.5 million is spent on housing and repairs. This frees up approximately €2.8 million in funding. I understand that it costs money to build houses but this can be paid off the capital sum. I am merely pointing the economics of this matter. When these houses are sold - most of them will be - in ten or 20 years' time, the council will obtain a nice little point of money which it can spend on other capital works. What I am suggesting makes economic sense.

The difficulty with what the Government is doing is that it has bought, hook, line and sinker, into what Michael Finneran left behind him. I am extremely disappointed with the Minister of State, Deputy Jan O'Sullivan, and her predecessor, Deputy Penrose, in this regard. It has been

stated that we are in a recession. However, during the major recessions which occurred in the 1930s, when Fianna Fáil was in power, and the 1950s, when Labour, Clann na Poblachta and Fine Gael, were in power, massive house-building programmes were put in place. What the current Government is doing is leasing houses from landlords. If one takes it that the annual rent on one such property is €8,000, this means that the Government will pay €80,000 over ten years. The property must then be returned to the landlord in pristine condition. As a result, there will be a huge mountain to be climbed at the end of the process because it is going to cost a fortune to return these houses, in pristine condition, to those who own them. Some €70,000 or €80,000 will also have been spent on rent. Councils could build or purchase houses. In my area, a three-bedroom house in perfect condition could be bought for €50,000, €60,000 or €70,000. These could be rented, accruing up to €5,000 per year in revenue. After ten years, a council would have collected between €30,000 and €50,000 in rent and still have houses to sell, assuming that is its wish. Alternatively, it could rent them until Thy kingdom come.

I understand that money is scarce, but this Bill is bad planning. The European Investment Bank, EIB, has told Sinn Féin that it would be interested if the Government approached it with a proposal like Deputy Ellis's. I am trying to shift the Minister of State away from the idea of social renting. It is economic lunacy. The permanent government in the Department will steer her in that direction, as its officials will not listen to any other doctrine. However, the Minister of State is a so-called super junior Minister and has her hands on the levers of power. She understands what I am proposing, as she sees the situation on the ground every day, just as I do. She and I are starting from the same point. I am not having a go at her. Instead, I am trying to impress upon her the importance of this issue. I will give Fianna Fáil credit for what it did in government in the 1930s, but not for what it did during its last term. I will also give Fine Gael and Labour credit for a good measure they undertook in the early 1950s. Consider all of the Merrion Avenues in the country. They were completed in 1954. Every town in the midlands has one. If large housing schemes could be built then, they can be built now.

Social leasing is an economic time-bomb, as whoever is sitting in the Minister of State's seat in ten years' time will not be able to pay the bill to return the houses in question to pristine condition. In the meantime, all of the money will have been spent on rent.

Deputy Richard Boyd Barrett: Two years into the Government's term of office, we finally get to discuss housing and a housing Bill. However, it is a one-page, apparently technical, Bill. This is extraordinary. As everyone knows, we are an economic mess. Week in, week out, the Government states it must cut people's pay and conditions, impose brutal austerity on public services and sell off State assets because we have no money. I do not agree with its decisions, but at least it has a plausible argument. The one factor about which it does not have an argument is housing. The State has no shortage of housing or capacity to build it. Were one to ask the schoolchildren in the Gallery whether they understood how 100,000 families could be on the social housing waiting list when 340,000 houses were empty, they would scratch their heads and say "no". They would be right not to understand. In the State's history, it has never had a longer housing waiting list or more empty houses. This is beyond belief. If someone came from Mars and saw that we could not resolve this problem, he or she would believe that we were an imbecilic race.

Like my grouping and Sinn Féin, Labour Party Members know from their clinics how serious this issue is. Every week, more than 50% of the many people attending my clinic do so for housing issues. They have been five, ten or 15 years on the waiting list. Those periods keep getting longer. People who put themselves on the list when their first child was born have still

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not secured a home by the time their child is 14 or 15 years of age. It is an appalling indictment of successive Governments, including this one, that it cannot resolve the problem. Two years into this Government's term of office, we have been given a one-page technical Bill that will have no impact whatsoever on the problem. This is extraordinary.

I wish to raise the general issue of housing, factors that should be addressed in any housing Bill. Before I do, I will discuss the Bill's contents, as I am not sure that it is a technical Bill. Its stated intention is to ensure the harmonisation of rents and it is asserted that matters other than a household's income, such as market rents, should not be taken into account, thereby providing a greater level of fairness. Elected members of local authorities will have a say and discretion in the setting of rents. This sounds okay on the face of it, particularly given the inexplicable diversity in the levels of rent charged across the State, a fact to which the Minister of State alluded. The Dublin city and Dún Laoghaire-Rathdown areas are victims of this inconsistency, with rents that are significantly higher than those found in other parts of the country. If one is a public sector worker, one's wages are the same regardless of whether one is in Dún Laoghaire or County Donegal. If one is a social welfare recipient, one's income is the same in Dublin city as it is in County Mayo. I agree with the Minister of State that this differential is unfair, as it bears no relation to ability to pay. We must address this issue. It is unacceptable that Dún Laoghaire-Rathdown County Council's attitude in recent years seems to have been that charging people in social housing higher rents is justifiable, given its location and the prevailing market prices. It is not justifiable. Will the Bill address this issue?

Will the Minister's baseline criteria for the setting of social housing rents and the discretion afforded local councillors lead to a levelling down, as I hope, or a levelling up of rents? I suspect it will be the latter. This may be the reason for the Bill. When one considers giving local authorities discretion to raise rents, the first thought that comes to mind is of the fact that the so-called property tax, which is supposed to be a tax on the ownership of residential property, is also to be applied to local authority housing. Local authorities must find the extra money, even at the lower band. The starting point could increase. The amount levied can also be varied upwards or downwards by 15%. Given the chronic underfunding of local authorities, it most certainly will not be varied downwards. Pressure will be applied on local councillors to increase rents to meet their obligations under the new, unjust property tax that the Government will apply on social housing. What is apparently a democratic reform is actually a way to pass the buck of political responsibility for the imposition of the property tax to local authorities. The big caveat is that there will be discretion, notwithstanding the Minister's baseline criteria for the setting of rents based on income, to increase rents for services provided to the dwellings, namely, the property tax. That is what I think this is about in reality.

Seeing as the Minister of State is worried about rents, another issue she could have addressed – setting aside the other bigger issues and the catastrophic failure to deal with the housing crisis in this country – is the gross injustice of the fact that public sector workers pay higher rents than other people in social housing. It is due to the fact that when determining rents, the pension levy is not taken into account by local authorities. Public sector workers pay 7% to 10% extra on the pension levy, as well as the universal social charge, PRSI and all the rest of it. They have a specific extra burden of 7% to 10%, yet local authorities do not take that into account when it comes to calculating rents. That means public sector workers who might earn exactly the same as equivalent private sector employees pay significantly higher rents if they live in social housing. If the Minister of State is serious about addressing fairness and harmonisation in rents, she must take that into account because it is grossly unfair.

Those are my comments on the Bill. I would be very interested to hear the response of the Minister of State on property tax and the issue I have raised. Apart from what is in the Bill, the key issue is what is not in it.

An Ceann Comhairle: We really only discuss what is in a Bill.

Deputy Richard Boyd Barrett: Everybody else discussed what was not in it.

An Ceann Comhairle: I was not in the Chair.

Deputy Jan O'Sullivan: What they said was usually relevant.

Deputy Richard Boyd Barrett: It was all relevant. It was all about the lack of social housing and NAMA. One could go through the list. None of those speakers was pulled up. We are discussing housing.

An Ceann Comhairle: Let us not be under any misunderstanding. Could the Deputy resume his seat for a moment and I will explain it to him? This is Second Stage of a Bill where we discuss the principle of the Bill before the House.

Deputy Richard Boyd Barrett: Yes.

An Ceann Comhairle: I do not mind if a speaker brings in other matters that are related, but that is the Standing Order. If I am in the Chair I am obliged to inform Deputies of that. It is not a case of my trying to be awkward with Deputy Boyd Barrett. All I am doing is saying what is in the Standing Orders. Deputy Boyd Barrett can proceed if he wishes but he must remember that what he says must relate to the Bill under discussion.

Deputy Richard Boyd Barrett: I am simply pointing out, a Cheann Comhairle-----

An Ceann Comhairle: In other words, if that was the case, the Deputy could speak about aviation, for argument's sake. If he wanted to talk, he could have that sort of freedom. The debate must relate to the principle of the Bill but it is fine if the Deputy is talking about housing.

Deputy Richard Boyd Barrett: Housing is what I am talking about. That is fair enough, a Cheann Comhairle. I obviously was not going to talk about aviation.

An Ceann Comhairle: I am only pointing out to Deputy Boyd Barrett the reason for the Standing Order. I hope the Deputy understands.

Deputy Richard Boyd Barrett: I do, a Cheann Comhairle.

Deputy Jan O'Sullivan: Deputy Boyd Barrett can fly a few kites now and bring in that kind of aviation.

Deputy Richard Boyd Barrett: I would join in the general hilarity but the issue is too serious. As I said, it is extraordinary that two years into the term of office of the Government, the housing crisis – there is no other way to describe it – has escalated. That has not been addressed in any substantial way in the Bill. We must remind ourselves – although the Minister of State might not need reminding – how serious the situation is. The combination of the utter failure of successive Governments to provide adequate council housing in the State, added to the reduction in rent allowance caps which the Government has imposed, and cuts in social welfare and income mean that tens of thousands of families are in a dire situation that is reminiscent of

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the slum conditions people faced at the turn of the previous century when the great playwright, Seán O'Casey, wrote of the horrible conditions of slum dwellers in Dublin. That is not an exaggeration. Some people are living, either in local authority housing that should have been demolished long ago and still has not been because of the implosion of the public private partnership proposals for the regeneration of local authority housing estates in particular in Dublin, or because people are forced into dependency on rent allowance and the private rented sector for years in utterly despicable, squalid and unacceptable conditions. We have failed to address that. Nothing in the Bill addresses it.

Obviously, the bulk of the responsibility for that catastrophic failure lies with the previous Government. There is no question about that. I acknowledge that the Government came into office having to deal with the mess that the previous crowd created. It is worth pondering just how central to the wider economic crisis is the issue of social housing. The decision of the previous Fianna Fáil Administration effectively to abandon the provision of social housing played a critical part in stoking the property bubble because it meant that a market that was somewhat regulated by the direct provision of cheap, affordable social housing became completely privatised and developers and landlords ran amok, while bankers financed them to do so and the Fianna Fáil Government was cheering on the whole process. That was no doubt because of the cosy relationship epitomised by the Galway tent and the golden circle relationship with the developers and bankers who were the beneficiaries of the madness.

An important point that is not sufficiently underlined is that if we had the level of social housing construction that we had, for example, in the 1950s or 1960s, the property bubble we experienced would not have happened. The reason for that is the provision of social housing has a dampening effect on property values because there is a cheaper, affordable alternative. In the 1950s and 1960s when the State was much poorer than during the Celtic tiger period, approximately 50% of all the housing that was built was social housing built by the State. That exercised some control on the market, private developers and landlords, but the dogs were let off the leash by Fianna Fáil in the 1990s and 2000s. The consequences were devastating for those on the housing list, which trebled under Fianna Fáil's watch. It is extraordinary that the number of people seeking social housing trebled while we were building 70,000 to 90,000 homes a year. We have been left with an incredible anomaly where we have ghost estates built in the wrong place by greedy developers, financed by bankers and facilitated by politicians, and these are lying empty while we have a shortage of housing in Dublin and other urban centres. The market and greedy people driven only by profit decided that instead of there being rational planning for housing need. It does not get much more basic than housing, putting a roof over one's head. What sort of statement does it make about the failure of our political system if, in the 21st century, we cannot solve the problem of rationally planning for housing need? It is damning and all of us are suffering the consequences, not just the 100,000 people on the housing list, which is a disgrace in itself. All of us, at every level of society, are paying off the gambling debts of those bankers and we are also paying €500 million every year in rent allowance to subsidise those same developers and landlords who caused the crisis in the first place. It is shocking. The Government is contemplating further attacks on the pay and conditions of ordinary workers who cannot pay their mortgages, while €500 million a year is going into the pockets of landlords, developers and indeed, the banks, which own many of these properties. Yet again, the banks are being subsidised with public money, when ordinary people are being hammered.

This problem could be resolved if the State provided the necessary social housing. All that

money would be saved. This needs to be underlined for the public. If we provided social housing directly for the 100,000 families on the housing list, we would save €500 million per year immediately and we would also generate approximately €250 million per year in extra rental revenue for the State. That is a huge saving and I do not understand why the Government says it cannot afford to do this. As was already mentioned and as I know to be a fact, the European Investment Bank will lend money to any one who puts forward a serious business plan for a capital infrastructure development that can pay for itself over the medium to long term. There is no doubt that a social housing programme could pay for itself and, in the long term, profit the State, not to mind meeting the most basic need of our citizens to have a roof over their heads. Why is the Government, instead of embarking on such a programme, proposing to move to long-term leasing arrangements with landlords and probably NAMA and the banks, the owners of the tens of thousands of empty properties all over the country? Why is the Government proposing to do this, which is simply throwing good money after bad? It makes no sense that we would enter into lease arrangements for ten to 20 years and literally throw money away. At the end of the ten or 20 years, those developers, who will be very glad to have been subsidised with public money, will decide that the market has improved and take back possession of their properties and we will be left with nothing but the bill. One could not make it up. It is an idiotic policy.

There are many problems that the Government can rightly say are difficult to resolve but this problem can be resolved. While I accept that many of the empty properties are no good, I do not accept that the best we can do is to have signed contracts in respect of 110 properties out of the entire empty property stock in the hands of NAMA. That represents housing for 0.1% of those on the housing list. Indeed, it is likely that four to six times that number of people have joined the housing list since the contracts for those 110 properties were signed. It is pathetic.

Is the Government going to exercise some real influence and instruct NAMA to take some of these properties? I know of a development on the Stillorgan dual carriageway that had a large banner across it which read, “The Spirit of Gracious Living”. The banner has been taken down because it was so ironic, considering what developments like that one did to the economy. An enormous number of properties in that development are still empty. Why can we not use them to house people on the housing list? I accept that they would not be suitable for families with children but there are hundreds of single people, unmarried and without children, who have been on the housing list for years. Why can we not put them in those properties? I do not get it.

Beyond that, and more importantly, there is already a shortage of housing in general and social housing in particular in Dublin and the other main urban centres. We could create jobs for the 130,000 unemployed construction workers who are rotting on the dole and who want to work, building social housing. Every single house built would save the State money in terms of the social welfare payments that those construction workers would no longer be claiming; the income tax they would pay; the extra rental revenue accruing to the State; and the fact that we would no longer have to pay money to private landlords. I do not understand why the Government cannot do this. I hope the Government will do it but the signals, based on the policy paper published in June 2011, indicate that the Government’s answer to this crisis is long-term leasing arrangements.

I could understand Fine Gael proposing that sort of policy. Ideologically, it believes, like Fianna Fáil, in the doctrine of markets. How it can maintain such a belief in view of what the markets have done to housing and to the Irish and European economies is difficult to understand. What has happened to housing is at the heart of the global crisis, not just the Irish crisis.

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It underpins the crises in Spain, the United States of America and elsewhere. The privatisation of housing has been a disaster for the global economy. Having said that, I can understand the ideological blinkers of Fine Gael and Fianna Fáil, who have always believed in markets. However, I fail to comprehend how the Labour Party can go along with this policy, given the fact that two short years ago its members would have been saying exactly what I am saying now. They would have been saying that it was madness to pay out such sums to private landlords when we could provide social housing.

I appeal to the Minister of State, Deputy O' Sullivan to give us assurances-----

Deputy Jan O'Sullivan: I will be responding to the Deputy when I get an opportunity.

Deputy Richard Boyd Barrett: I am putting a serious and concrete proposal to the Minister of State and Deputy Stanley did the same. I urge the Minister of State to ask for a meeting with the European Investment Bank and put a proposal-----

Deputy Jan O'Sullivan: We have had a meeting with the EIB already.

Deputy Richard Boyd Barrett: I would be very interested to hear-----

Deputy Jan O'Sullivan: Representatives from the bank are in town at the moment, as the Deputy may already be aware.

An Ceann Comhairle: I ask the Deputy to conclude his contribution and then the Minister of State can respond to him.

Deputy Richard Boyd Barrett: Such a proposal conflicts with the policy as set out in June 2011.

I look forward to the Minister of State announcing that we will reduce the waiting list of 100,000 by providing social housing directly, either through taking existing stock into public ownership or through a new social housing building programme. That is what is required to provide housing for those who so desperately need it.

It is heartbreaking for me to meet people, week after week, who are threatened with homelessness, have been made homeless already or who have been on the housing list for ten or 12 years and are living in totally overcrowded conditions. I am weary of meeting people whose families have been split up because they do not want to live in squalid private rented accommodation or cannot get such accommodation because it is too expensive, relative to the rent allowance caps. People are being forced to stay with relatives or to break up their families and distribute them among their extended family. That is common but all of this unnecessary suffering and injustice could be resolved.

I ask the Minister of State to do something about the widespread, outrageous and disgusting practice among private landlords of saying that rent allowance is not accepted. They might as well say that they do not accept poor people. It is directly reminiscent of the signs that used to be visible in England which read, "No dogs, no blacks, no Irish". It is the same principle, as a certain sort of people are not wanted. It is absolutely outrageous and people should not be allowed to rent property if they operate that discriminatory policy. Action should be taken in that regard immediately.

An Ceann Comhairle: Deputy Paul Connaughton is sharing time with Deputies Kyne and

Terence Flanagan.

Deputy Paul J. Connaughton: I am thankful for the opportunity to speak to the Bill. I welcome its provisions, the main aims of which are to streamline the way in which rents are calculated across all local authorities. I also welcome the fact that the making of a rent scheme is now a reserved function of the housing authority, as this will give elected council members a role in deciding rent policy.

This Bill seeks to give greater transparency to the process by which councils arrive at rent charges, including the way financial circumstances are treated and the allowances available for dependants. The new harmonised structure will come into effect on 1 January and pave the way for the new housing assistance payment scheme, which will see the responsibility for rent supplement switched to local authorities. This represents a sea change in the way in which housing is administered by the State, and bringing the rent supplement under the umbrella of the local authorities is long overdue, as they have the local knowledge to best implement the scheme and are best placed to ensure the State does not pay high rents to private landlords while public housing lies vacant.

Currently, there is a wide variation in the rents charged by various local authorities, and this Bill will bring some level of harmonisation to the system while still allowing for an element of discretion. The changes envisaged under the Bill will undoubtedly result in increased rent for some householders, and I recognise that these increases, where they fall due, will be implemented on a phased basis. This Bill is merely paving the way for more significant legislation in the area later this year when the rent supplement scheme is transferred to local authorities. Applicants for rent supplement must already apply to a local authority for assessment of housing needs, meaning the majority of those on rent supplement should already be on the file of the local county or city council. Therefore, local authorities should be aware of where various people wish to live, and people can be offered vacant housing as it arises.

The case of arrears which have arisen many years ago is one aspect of the transition that requires greater scrutiny. In one instance I know, a family left the county of their birth in difficult circumstances and sought to return years later when the issues that gave rise to their leaving had been resolved. However, they were told they could not get back on the housing list as they had arrears with the housing authority relating to the manner of their leaving years before. This family could get on the housing list in every county in the Republic and receive rent supplement in each county except for where they were born and where they had close family ties. Some consideration should be given to such cases before the system is fully transferred to local authorities, and cases where people are barred because of arrears which arose many years ago should have their case re-examined and perhaps be allowed a hearing on the case.

This is one of the few reservations I have about the transfer of responsibility for the rent allowance scheme as, overall, it is a common-sense approach that will yield significant financial dividends for the country's coffers. The local knowledge that the county councils possess will be vital and an increased number of offers to people of vacant housing will see the current high bill for rent supplement reduced significantly in years to come. A sustained campaign in which people on rent supplement are offered vacant local authority houses within 10 km of their current address would result in significant savings for the State and increased rent collection for local authorities.

The issue of staffing in housing departments of local authorities may have to be addressed

in the months and years to come if the maximum savings are to be achieved. This may necessitate a reconfiguration of services within councils or in some cases require extra resources that will be more than offset by the savings achieved. Harmonisation of the manner in which rent is calculated is a good idea, as is the harmonisation of the rent supplement scheme, which will see the current two-tier system involving the local authorities and Department of Social Protection streamlined into a more cohesive approach that will see better use of scarce housing resources. This is one of the most important tasks facing the Government and it is using scarce resources well, identifying areas where savings can be made and achieving those savings. This Bill is a further example of us doing more with less.

Deputy Seán Kyne: Although technical in nature, this Housing (Amendment) Bill touches upon some very important housing issues. Our local authorities remain central to housing provision and meeting the housing needs of communities. The various provisions in this Bill will strengthen the role of local authorities, and in particular the Bill makes clear that the design of a rent scheme is a function reserved for the housing authority.

On several recent occasions, this Government has been accused of putting together a centralisation policy at the expense of local authorities or other county-based organisations, but these accusations are without foundation. Without question there are a number of State-funded initiatives and programmes which have been transferred to national bodies with positive results in the main, although as can be demonstrated with this Bill, other important functions in service provision are being maintained or strengthened at county or city council level. The housing needs of a county would be best understood at the county council level, as will the design of the rental scheme to be operated. This legislation will provide for the deletion of certain existing provisions which conflict with the rental schemes determined using the criteria of household income and composition. The Government should provide for overarching strategic leadership by tackling the problems in partnership with various local authorities. We should also realise that the different interconnected and related aspects of this policy area, including changes to legislation governing local authority housing rental schemes, will most likely have an impact on the Department of Social Protection rent supplement scheme, the provision of social housing and other local authority schemes.

An issue related to housing is the regrettable problem of homelessness. Recently, the Minister of State with responsibility for housing and planning, Deputy Jan O'Sullivan, published a very welcome homelessness policy which outlined the Government's commitment to prioritise the provision of long-term solutions as opposed to the current system, which relies on a series of short-term initiatives. Today, a local Galway charity, COPE Galway, furnished me with a copy of its submission on the rent supplement scheme, a review of which is imminent. I urge the Department of Social Protection and the Department of the Environment, Community and Local Government to read the submission, as it contains some very workable and sensible recommendations for different aspects of housing.

In 2012, COPE Galway provided accommodation support to more than 330 men, women and children, and the organisation found increased pressure on services because of the requirements of the rent supplement scheme, maximum rental limits and the lack of discretion that can be shown by the Department of Social Protection representatives, formerly known as community welfare officers. I appreciate that there is pressure on the social protection budget and how careful the Minister must be with the rent supplement on account of the often overlooked fact that over 40% of the housing stock in the rental market is involved with the rent supplement scheme. In effect, this means that changes in the rent supplement scheme will have con-

sequences not just on those citizens availing of the scheme but also on other citizens residing in private rented accommodation.

The Government must realise that homelessness is a distinct possibility if the criteria or rental limits of the rent supplement scheme are too stringent and not in keeping with current market conditions. As I mentioned, COPE Galway has furnished a report requesting a number of elements. Among others, it asks that rent cap levels for Galway city be increased so that people dependent on rent supplement can secure affordable housing. The findings of a recent survey on the lower end of rental properties available in Galway city demonstrate that the current cap levels are too low. Additionally, COPE Galway argues that the rent supplement system should be aligned to the prevailing practices in the private rental market in respect of deposit and rent in advance requirements, and the application process for rent supplement should be simplified to make it more user-friendly for both rent supplement applications and landlords. The organisation also seeks that social protection officers be given greater discretionary powers to breach the rent cap in exceptional circumstances, including when it will help prevent people falling into long-term homelessness.

There is also the issue of using housing stock now under the ownership of NAMA, and I reiterate my suggestion that a portion of the stock be transferred for use in social and affordable housing, as that would help protect against homelessness. I suggest a facility be put in place to enable the transfer of houses and apartments, where possible, from property developers to local authorities in cases of unpaid development levies. These measures may take time to construct and implement, but I believe strongly that they should form part of this Government's housing strategy.

Deputy Terence Flanagan: I welcome the Bill and I thank the Minister of State responsible for housing for being here to listen to the debate and her good work in the area. The Bill is technical, providing for changes to be made to section 31 of the Housing (Miscellaneous Provisions) Act 2009.

3 o'clock

The changes involved will introduce a harmonised local authority rent system with effect from 1 January 2014 and a new housing assistance payment scheme. At present there is a wide variation in rents being paid by tenants in various local authorities. This legislation will give elected local councillors the power to set the rent parameters in their local authority areas. It is proposed that a base rent will be charged for each household member in addition to a differential rent based on a proportion of the net household income in excess of a threshold that will depend on the composition of the household. That is much more equitable than the current system.

It is also important that the regulations will allow for a transitional period for households where the rent will increase significantly under the new system. This matter will be discussed later this year when legislation is introduced for the new housing assistance payment scheme.

I welcome the move by Dublin City Council to change from a points based housing allocation system to a system based on the length of time on the list. This is a much needed change. All of us as Deputies receive queries about difficult situations where people are on the housing list for up to ten years. This is the way to go and will be welcomed by the public. The new system will be fairer and more transparent. There will be three levels of priority, with the first

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band made up of those with medical needs and those experiencing homelessness, the second made up of tenants living in overcrowded accommodation and the third band made up of all other cases. It is fairer to base the system of allocation on the length of time someone is on a housing list than on a points system. There have always been many complaints about the waiting times on housing lists. As the Government faces economic constraints, it is impossible to build brand new stock so we must continue to seek innovative solutions in this area, particularly when 100,000 people are on waiting lists nationally.

The council also proposes to introduce a new applicant-sourced housing scheme, allowing people in need of social housing to rent their own accommodation. This will see the council pay rent to the landlord and the tenant, who will in turn pay the council a tenant rate. I welcome the new measures to address any existing problems in local authority housing. This new rent system will help to make the system fairer and will standardise rents across the State. Those renting local authority housing in any county should be expected to pay the same basic rates.

The Government is determined to address the issue of homelessness and it is quite right that it is a priority. We all know of cases and instances where people find themselves homeless. Nationally, there do not seem to be reliable figures for this. Perhaps the only way to secure a more reliable figure is to carry out a point in time count across all local authorities. The figure is close to 5,000 at present and estimating the problem is difficult when people are out of sight and do not present themselves to the homeless authorities. We are all used to seeing people sleeping rough and when there is bad weather it is not a nice situation for those involved. I hope we can give a high priority to the issue and deal with this as soon as possible.

There are over 4,000 houses and apartments that could potentially be used for social housing in NAMA's stock. I welcome that; it is positive news and shows an element of progress towards a social dividend from NAMA. We have been left with a huge amount of surplus housing all over the State, housing that was built in areas that will never be occupied, and we must consider this further to identify a match up with the housing lists so people could be adequately housed.

There has been criticism of the property tax but in Dublin, those living in bigger houses and richer areas are paying more in property tax. It is certainly fair from that point of view.

Deputy Sean Fleming: I welcome the opportunity of speaking on this Bill. It is a small, technical Bill and while I want to deal with some of the specifics in it, I also want to address the housing situation generally.

I welcome the proposal to give elected members of councils a role in determining rent policy. That is a controversial area and until now many councillors did not fully understand how rents are worked out. It is important the system comes before elected members. It is positive because councils will not be able to adopt a policy without advance publicity, which will offer people an opportunity to contribute to the debate before policy is decided. Also, it will be decided in public by elected members rather than by officials with no public accountability. That is important and will allow the Minister to make regulations prescribing the specific matters each housing authority must include in its rent scheme. It is important there be national regulation for this because there cannot be variation from local authority to local authority. Many of them have contiguous boundaries and we cannot have schemes that are inconsistent depending on which side of the road a person lives on.

The Bill also requires a housing authority not later than a date to be prescribed by the Minister to make a rent scheme providing for the manner in which rents and other charges will be determined. I hope there will be consistency across the State and councils will move uniformly, unlike the way they dealt with development plans, where there was no consistency or single approach. One county could finish a plan while the next country would not start a plan for another five years. Some plans are up to date and others are out of date. There should be a timetable and local government given a six or 12 month period to complete the process but it would have to happen within a definitive timescale with consistency across the State as a result.

Also to be included in this will be the manner in which financial circumstances of households will be taken into account in determining the amount of the rent or a method of calculation of any allowances in respect of rent that might be made for dependants. It is also proposed to delete the section in the previous legislation where charges are determined on the basis of household composition and income and, where applicable, the cost of the facilities provided. That often comes into it, especially when someone is building an extension to a local authority house and there will be a rent charge on the extra accommodation. I am sure the practice of how they arrive at that figure can vary from one local authority to another.

It is an inescapable fact that there are up to 100,000 persons on the housing list. That has not been adequately dealt with in recent times. There has been a housing crisis. Many hoped that some of the NAMA properties would be used to help in this regard, and that has not happened to the extent expected.

The Bill does not set out a definitive national standardised differential rent scheme and I would like to see some consistencies being required by the local authorities. I do not object - some would object to this - if they have to go back to the Department for perusal or comment as part of that process but, ultimately, it will be a decision by the elected members. At least there is an opportunity for national consistency.

An important issue for local authorities is rents and there is no mention in this legislation about the issue of the local property tax. We cannot discuss local authority housing and rents without discussing that and its implication for local authorities. There is no reference in the local property tax legislation or this Bill as to whether the tax, or how much or how little or it, is to be passed on to the individual tenants. There is a gap in the legislation. We are here passing more legislation and, like the elephant in the room, we are avoiding dealing with this issue. I have a couple of points to highlight.

There are mixed views as to whether local authorities should have to pay local property tax. I subscribe to the view everybody should pay something. Every house in the country is supposed to pay for a television licence fee and most of them do, and I do not see why this property tax should be any different. I could stand up here and demand exemptions all over the place, and there is a case for an exemption where residents are in mortgage arrears and financial difficulties, but as a general principle there should be some level of contribution. One must even pay some contribution to the cost of medicines if one holds a medical card. It is not the amount of money involved, but the principle. Even if one has only to pay 50 cent or €1, one feels one has some involvement in it.

There is a slight unfairness. It is typical of how legislation works here in Ireland and I thought we had got away from it. When a law comes in, it should apply equally to everybody in the country. Departments should not be able to step aside from what is the general rule for

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everyone else. It used to be the case years ago that local authorities and different planning authorities did not have to go through the same planning process but, thankfully, now they must go to An Bord Pleanála. At least, they must go through some planning process other than their own. Everybody must pay the local property tax for this year on 1 July but no local authority has to pay a penny of local authority tax for this year during the year. They are getting an exemption until the beginning of next year. I object to an inconsistent approach in terms of the payment dates. That should not be the case. If the Government is sincere about that, it should be dealt with this year. The legislation stated specifically that it was payable on 1 January. That is probably to give local authorities the ability to factor it into their estimates for next year. Possibly, the local property tax was not factored into the estimates, many of which would have been done around the time of the previous budget and before they knew the specifics of it. There is a specific exemption so that local authorities need not pay the tax. Presumably, they should have to pay the 2014 tax in 2014. Local authority tenants, perversely, even though there was an intention to help the situation, will have to pay 18 months of local property tax in 2014, and that is not right either. When one tries to help somebody, sometimes one can take an action that causes another problem.

Another issue with the local property tax and social housing arises where in a number of estates throughout the country the local authority acquired houses under the Part V process where a percentage, somewhere between 15% and 20% of all new estates, were designated for social and affordable housing. Some local authorities took money to avoid having to put local authority houses into private estates. Laois was one of the few counties, and I would go so far as to say practically the only one, that refused point blank to deal with developers who wanted to buy their way out of that so that the local authority could house tenants in local authority housing somewhere else. The developers all came in stating they could not possibly get funding from the banks and the people possibly would not buy these houses if there were local authority tenants in the house beside them. We in Laois refused to budge on that and some developers criticised us from outside the county. We held firm, and we were right. However, this has led to another problem of fairness on property tax. The reason I raise this is it has directly to do with local authority tenants. Where, for example, there are 100 houses in an estate in County Laois, ten are social houses. I leave aside the ones that were bought under the affordable scheme because those residents now own them and must pay for that, but take the ten in social housing. The legislation states that all local authority houses will pay the local property tax at the minimum rate for houses valued under €100,000, which is €45 this year and €90 in a full year. Coincidentally, last night, on an unrelated topic, I had a parliamentary question tabled to the Minister for Finance for answer next week and when I was looking at this legislation this morning, I said I would raise it in the House today. I do not understand why one house will have a local property tax of €45 this year because the legislation deems that because it is owned by the local authority it should pay the minimum rate and the house beside it - it could be an identical semi-detached house joined to it - might have to pay a property tax, based on a band on a value of €200,000 or €300,000. It may be even higher in some of the major cities, but I refer only to County Laois. There is a perversity in some of that and it has not helped.

On housing generally, I support tenants being able to buy-out houses from voluntary housing schemes on the basis that the funding went back into the voluntary housing association for further housing development. I note we have not gone that route in the past, but some of them are almost entities in their own right. I am not saying the money should be used for any other purposes. It is unfair that a person who was allocated a house from voluntary housing association - we in Laois are familiar with those such as Respond or Clúid - who did not see the differ-

ence between taking that house and taking a house from the local authority then finds that those who got their houses from the local authority in the estate beside them can buy their houses out after two years if they are in a position to do so but, because they have a voluntary housing association house, that does not apply in their case.

Another issue, which needs to be dealt with here when we are dealing with local authority housing and with which I have always had a problem is the issue of vacant houses and the time it takes to re-let them. Houses become vacant for a variety of reasons, such as where tenants move on or pass away. There are quite a few thousand vacant houses around the country, although the Minister of State, Deputy Jan O'Sullivan, might say it is a small percentage of the housing stock. I understand that local authorities must send in the guys to board up the windows, put up the shutters and close off the place for fear of vandalism and robbery, but the quickest way of avoiding that the minute the key comes back from somebody leaving a local authority house is to have the clerk of works go in that same day. There should be panels of contractors because the local authorities get annual quotes from them to do work. If work has to be done, somebody should be in immediately. Sometimes the local authority states it costs €10,000 to upgrade a house and it does not have it, but my view is the sooner the local authority does it, the sooner it would get a rent roll from a new tenant. It is counterproductive to leave a house lying idle where it deteriorates and will cost more in the long run, and the local authority loses all its rent in the meantime while the house is vacant. It is an issue about which there is a lethargy in all local authorities and about which I ask the Minister of State to inquire. The local authorities will give her the statistics, for example, that there is only 2% of their stock idle, but that is not the point. The question should be what percentage of houses that return to local authorities are idle after one month, two months, six months and 12 months. The Minister of State, in her constituency, is looking at houses boarded up for years. There might be particular cases in particular areas, but there is not a sense of urgency in local authorities. If it was a private landlord, he or she would try to get the house moved on to a new tenant as soon as possible, and I ask that the local authorities do likewise.

I refer to the housing lists. It is a difficult issue. Generally, one can only be on the housing list of one housing authority. Everything at Government level operates on one's PPS number and one should be able to be on a housing list. Part of my constituency is right on the border of Carlow town, where a person can be from one side of the street and happen to rent on the other side as that is the only place where a house comes up, in Graiguecullen or wherever - I am sure this arises between Limerick city and county in different areas as well. A person is not allowed on the housing list in one area because he or she is not a native of the area. The person has lived 100 yd. from the area for 40 years and is told he or she has no contact with it. I can understand people wanting to play it both ways - to be on two housing lists and see whichever comes up first. I am sure that is why people have now got strict on the issue. There should be a mechanism to allow housing officers in adjoining local authorities to compare lists in the knowledge that people may be on both. At the moment it is too restrictive, as a person may be told there is no possibility of being on the housing list in the area in which they are renting because they were not born and reared in that local authority area, even though they may be from a place a hundred yards down the road.

Much money is being paid out on rent supplement to people who are registered with the Private Residential Tenancies Board. I hope no one is getting rent supplement for an unregistered property, and shame on the Department if that is happening. Let us hope the matter has been sorted out. Part of the fee people pay to register goes to local authorities for inspections. I do

not believe adequate inspections are being carried out. What percentage of houses are being inspected? Officials in local authorities know immediately from an address whether a house is in a new housing estate in a good area or is one of a group of old houses that have always given difficulties. Rent supplement should not be paid for houses that are not registered with the Private Residential Tenancies Board. Local authorities should step up their inspections to ensure houses are of an adequate standard.

Deputy Paschal Donohoe: I begin by continuing on some of the themes Deputy Sean Fleming mentioned. I strongly agree with his point about people living in one area for a period of time and then moving to another local authority, which is often an adjacent area. They find that their positions on the housing list change radically. I most often hear of such cases, sadly, in the event of a family break-up or difficulty at home. When people move from one part of the country to another and cross local area boundaries they find that any status or points they might have accrued by virtue of being in one area are lost, and in some cases they have to start all over again. There would be justification in having a more standardised and centralised system to deal with those specific cases in a fairer way.

The point Deputy Fleming made about the quality of private rental accommodation is a matter I have raised with the Minister of State previously when debating other housing Bills and also as a Topical Issue. I acknowledge the progress made by Dublin City Council and laud the work it is doing in this area. Last Friday, *The Irish Times* brought to the public eye work of which I have been aware for quite a while and which I have mentioned to the Minister of State. In recent months Dublin City Council inspected 1,500 privately rented flats across selected parts of the city. Those inspection teams include trained Dublin City Council officials, sometimes with officials from other State authorities, who arrive at a property to ensure that minimum legal requirements are being met. The statistics from this work are startling as are the consequences. Of the 1,500 flats inspected, the council found that 1,400 did not meet the minimum legal standards for private rented accommodation. They had various deficiencies, including unsafe electrics, no private bathroom, rooms without windows, damp, mould and inadequate heating. They carried out 2,230 inspections on these 1,499 properties - in other words, some were inspected more than once. The council has been forced to issue 1,544 legal notices to landlords requiring them to upgrade the standard of accommodation provided.

In many cases we are talking about the most minimum of standards. I have been in some of these flats, which are inhabited by constituents and neighbours of mine, and the standards in a small number of them have been deplorable. I recognise the pioneering work the city council is doing in tackling this. It is very hard work. Unfortunately, in some cases the officials must work in close co-ordination with An Garda Síochána because of the difficulties they encounter.

Two important consequences of this are relevant to the Bill and to the public housing policy issues we are discussing. It proves to me what I believed based on anecdotal evidence - that a large amount of money has been paid in the form of private rent supplement in respect of properties that do not meet the standards we want. The Comptroller and Auditor General is carrying out a report into the operation of that payment and its interaction with overall rent levels. This is clear indication of that.

The second consequence, which will present a new difficulty to us, is the number of landlords who either cannot afford or do not want to update their properties to meet these new standards. As the areas involved are in the public domain, I will list them. They include a section of the North Circular Road, which I mentioned previously, and Cabra Park in Phibsborough.

The landlords are now putting many of properties in these areas up for sale. I am speculating that many of these properties were subject to the inspection regime and landlords, in some cases through no fault of their own, will consider the quantity of housing stock they have there and say they cannot afford to upgrade it.

The new difficulty I am beginning to encounter is that of people who were in such private rental accommodation, who are now finding that accommodation might not be available to them in the future and are wondering where they can go. That section of the private rental market was providing single-unit bedsits or very small apartments, frequently for single men and women. My concern is that by virtue of our doing the right thing - let me be clear that what we are doing is absolutely the correct thing to do - the supply of those units in our major cities could contract much more quickly than we had anticipated because, alongside those changes, as the Minister of State is aware, other changes have been made to the taxation of rental income, which is having an effect on landlords' cashflow.

I laud the quality of the work the city council is doing in this area. We should support the introduction of that model throughout the country. Dublin City Council is able to do this because the Department of the Environment, Community and Local Government made €1 million available over a three-year period to fund the scheme. We should be doing more of it and in parallel we need to come up with an alternative accommodation model for people who are living in these homes.

That leads on to a point that comes to the fore whenever we debate housing policy or public housing. The extraordinary and bitter irony for a country which went through a housing boom is that we still have more than 100,000 people on our public housing lists. This shows the manifest failure of housing policy during the period under the previous Government. In many of the communities I am so privileged to represent I meet residents and constituents who have been on housing lists for between five and eight years looking for a particular form of accommodation. Dublin City Council is doing its best. These are individuals for whom rent might not be an option and for whom purchase is not an option, and they now find themselves locked in very long waiting lists despite the huge effort of the city council to deal with it. The Government and the Minister of State are already examining the role voluntary housing associations, such as Clúid, can play in this and how we can support them in their work.

I am still certain that in the model for future public housing provision in our cities and counties local authorities will continue to play, and must play, a role in building housing stock themselves. When we get to better days, as I am sure we will, I hope we will examine the type of financial support we can give to voluntary housing associations and local authorities to continue their work in dealing with the 100,000 people who have been left on these lists despite homes being built throughout the country for years. We have a duty to support them. I acknowledge the work done by our local authorities in trying to rise to this challenge.

Acting Chairman (Deputy Peter Mathews): Deputies Eamonn Maloney and Michael McNamara will share the next speaking slot.

Deputy Eamonn Maloney: I welcome the Bill as other speakers have done on all sides of the House. As a former member of a local authority for 11 or 12 years of my life, the amendment being introduced by the Minister of State has been spoken about for years but nothing has been done about it. The principal activity of local authorities is the provision of housing for those who cannot afford housing themselves and surely it is a responsibility councillors should

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have in their gift. In many respects it is good they have this and I commend the Minister of State for it and for the introduction of the Bill.

Other speakers have gone into the details of the legislation, including Deputy Donohoe, so I will not do so. The great advantage of technology is that one does not need to be in the Chamber to hear the debate and one can listen in one's office to the contributions being made. I was close to jumping out the window at one stage when I heard Sir Richard Boyd Barrett blame the Minister of State for not building any houses. I do not know how the Minister of State replied but I did not realise she was responsible for the collapse of the Irish economy. If one bases one's economics on a Ladybird book one will have difficulty.

Unlike some who get into a false rage about local authority estates, I was born in one and live in one and I am proud to do so. The last thing I need is a critique from people about what it is like to live in a local authority housing estate. Having said this I know if things were different it would be to the great credit of both parties in the Government if the Minister of State could announce we were commencing a great programme of building local authority houses, but the country is bankrupt. People prostitute the issue of homelessness and the thousands of people on the list, which was discussed eloquently by the previous speaker, but the lists have spiralled out of control and there is a reason for this. I do not think the finger can be pointed at the Minister of State. It is a difficult situation and I look forward to the days when the country gets out of the mess it is in and is in better shape economically. Those of us who support the Government look forward to the day we can take people off the list and provide social housing.

Deputy Michael McNamara: I concur very much with what Deputy Donohoe said and it is something I have spoken about directly to the Minister of State in the Chamber. Along the lines of what Deputy Donohoe stated, at a recent meeting with Clare County Council officials I was very pleased to learn the inspection regime is being stepped up there. County Clare is not unlike anywhere else in that quite an amount of private rented accommodation is inadequate in the extreme. I sat as an adjudicator on the Private Residential Tenancies Board and while at times I was shocked by the evidence of what tenants had done to properties, I was equally shocked by some of the entirely inadequate properties being let to tenants, in particular under schemes funded by the Exchequer and often paid for by the HSE. I am glad that not only in this august Chamber where it is easy to discuss these matters, but on the ground the inspection regime is being stepped up.

Deputy Maloney mentioned we would very much like to see a greater number of houses being built by local authorities and everybody would agree, whether on the left or right of the Chamber, that this would be socially beneficial. I wish to draw the attention of the Minister of State to the fact that there is insufficient money to renovate and repair existing housing stock in Clare which is lying idle. There is not a lot, it has to be said, but there is some and these are times of pressure on State resources. Clare is rarely exceptional in any instance and has been described as a bellwether constituency and county. I know the Minister of State is very well acquainted with it. It would be good if money could be made available for this housing stock. It would also be good if money could be made available for building, but at the very least perhaps money could be made available for the repair and renovation of existing housing stock to ensure people move into it.

I wish to discuss the great difficulty housing arrears cause local authorities with regard to their budgets and financing. I am aware the Department has sought to address this since the Minister of State has taken up her role, and an amendment to the household budgeting scheme

to provide for mandatory deduction of local authority rent was introduced in December. This will help local authorities address their concerns regarding the build-up of rental arrears. The mandatory provision provides local authorities with strengthened power to help manage their tenancies, as when the provision is commenced customers will have to obtain written permission from the housing authority prior to cancelling the household budget rent reduction. The requirement to enter into a household budget rent reduction scheme is nothing new but many local authority tenants entered into it when they entered into their tenancy but then cancelled it and commenced building up arrears. They will no longer be able to do this. The difficulty still arises with existing tenancies, of which there are many with considerable arrears. We all appreciate many people in local authority housing are in considerable difficulty but some people take advantage of the situation. Of course, that puts further pressure on the local authority and on other people who could be benefiting from local authority housing but are not because others decide to take advantage of the system.

I have received various assurances on this issue from Ministers. I do not expect an update today from the Minister of State on what will be done regarding existing tenancies, but I hope that in the weeks ahead her Department will be able to outline what will be done with regard to such tenancies and arrears. Specifically, will it be legally possible to insert a clause concerning this household budget rent deduction scheme into existing tenancies? If so, under what legislative provisions will it be done? Something like that would be very useful, not just for Clare County Council but for all housing authorities across the State.

Debate adjourned.

Topical Issue Debate

Bus Éireann

Deputy Regina Doherty: We know from media reports and confirmation from the Department of Transport, Tourism and Sport, that industrial action is pending on behalf of workers in Bus Éireann. This choice of action has arisen after 11 long months of deliberations, negotiations and protracted discussions between management, the Labour Relations Court and workers.

I am concerned about the pending industrial action and the effect it will have on local communities. Does the Minister for Transport think there is any flexibility within his budget to support Bus Éireann in providing what the workers are seeking?

Deputy Joan Collins: Public transport is vital to the economy and society in general. These talks have been going on for quite a while and, on 10 April, it seemed that progress was being made. I have been informed that they were parking the most contentious issues and were trying to deal with some of the other ones. The unions thought there was progress when they went in the other day. However, after seven minutes, the management gave them an ultimatum that they were going to introduce cuts on 12 May.

The Minister should now intervene. Workers should not have to subsidise the cut in Bus Éireann's subvention. I would like to hear the Minister's position on this matter. Does he agree

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with the management's position? The NBRU already has a strike mandate if the management introduces cuts. The union does not have to re-ballot its membership. I think it would be quite prepared to take that action if the management brings in those cuts on 12 May.

These workers earn €33,000 per year in basic pay, which is a third of what TDs earn. I do not take that money, but it is €92,000. The workers should not bear austerity cuts; they are providing a vital service. I would like to know if the Minister agrees with the management.

Deputy Thomas P. Broughan: Everybody is shocked that Bus Éireann, with the apparent approval of the Minister, intends unilaterally to impose severe cuts in the pay and conditions of Bus Éireann workers from Sunday, 12 May. According to the latest figures, the company has carried out 36.5 million customer journeys. I am aware of Labour Court recommendation 20463, which recommended significant cuts for drivers, maintenance staff, inspectors and clerical executive workers. After five years of deep recession and major cost reductions in 2009, which impacted on pay and conditions for many drivers and other workers in Bus Éireann, the current threat is the last straw.

On modest core pay, the Labour Court recommended that the first two hours of overtime be cut from time and a half to time and a quarter. In addition, Sunday overtime is being cut from double time to time and a half, while public holidays are down to time and a quarter. These workers work unsocial hours and support the community when the bulk of the population is not working. Shift pay and annual leave is also being severely cut.

Those type of cuts, which are replicated for drivers and other grades, will be devastating for workers and their families. One driver with children at college told me yesterday that he will lose at least €3,000 a year. With property tax, rising health insurance, mortgages and other costs, workers feel they just cannot take any more. It is therefore understandable that the NBRU and SIPTU are balloting staff on whether to take action from the end of next week.

Many efficiencies have been brought about in the CIE companies. For example, we had the Deloitte review in 2008-09, along with retrenchments. In recent years, however the Minister has consistently cut the public service obligation subvention. According to the company's annual report for 2011, it looks like the subvention is down to about 15%. This is the lowest subvention of any major national public bus company in Europe.

The next few weeks constitute a particularly bad time for any kind of industrial action, given that the school bus service may well be involved with 114,000 school-children facing exams. The Minister should take action. We need an alternative strategy which must involve further national support for the company and an end to attempts to scapegoat Bus Éireann workers for the current difficulties. We also need a much more dynamic and innovative management team, which is a prerequisite for change.

Deputy Timmy Dooley: Today we learned that Bus Éireann's unilateral decision to cut costs, as well as seeking reductions in overtime, shifts in premium payments, longer working hours for office staff and reductions in annual leave, have resulted in the threat of students being unable to use public transport during an exam period. That is a very serious developing situation. Bus Éireann has outlined that it intends to target about €20 million worth of savings from 12 May, including €9 million from pay and conditions. As the Minister knows, this has resulted in SIPTU balloting over 900 of its members working in Bus Éireann. It now appears that strike action is very much on the cards. It is more of a probability than anything else.

We understand that Bus Éireann needs to find savings and on this side of the House we accept that. It is a given that as a result of increased fuel costs and lower passenger numbers which have resulted in a reduction of revenues for the company, the Minister is not in a position to support the CIE group as previous governments were. I understand that. The Labour Court has pointed out how this can be achieved. It is recognised that the company is in a difficult position.

The Labour Court has stated that the very viability of the transport operator is under threat if something is not done. However, the lack of agreement between management and staff has the potential seriously to disrupt thousands of travellers who rely on Bus Éireann's service every day. As industrial action is most likely to occur in the exam period for colleges and secondary schools in May, this is of particular concern to students and their parents who do not have access to private transport. If industrial action spreads to include school transport services, it is estimated that up to 114,000 children will be affected. That should bring into stark focus, both for the Minister and the Government, that action needs to be taken. Where do the Government and the Minister stand on this issue? Does the Government have a strategy to ensure that our public transport system will not let down those who cannot afford private transportation, particularly during the stressful exam period? As all parties are currently committed to their positions in this dispute, there is entrenchment on both sides. How does the Minister plan to become involved? I accept the State has an industrial relations mechanism by which such a dispute would normally be resolved. Unfortunately, an impasse has been reached and it now appears extremely likely that strike action will take place, which will affect everyone concerned. The red lights are on and the Minister can see what is happening. He should not have the travelling public or students who face exams be made to suffer to bring about a resolution because ultimately, such a resolution will come at some stage. Consequently, I call for the Minister to become involved as quickly as possible, thereby protecting those who depend so greatly on this vital transport network.

Acting Chairman (Deputy Peter Mathews): I note Deputy English was scheduled to speak. Is he not taking his slot?

Deputy Regina Doherty: He is not present.

Acting Chairman (Deputy Peter Mathews): Very well.

Deputy Brian Walsh: In common with the other Members present, I am sure the Minister is acutely aware that the financial circumstances facing Bus Éireann at present are dire. It has been acknowledged by both the Labour Court and the trade unions' own financial assessors that the company is in a highly precarious position and its very viability and future are under imminent threat. Most people would accept that the company must identify savings fast. It has accumulated losses of more than €27 million over the past five years and this simply is not sustainable. The prospect of industrial action would have serious implications for the company's viability, for those workers and their jobs and for those who rely on the services. As other speakers have noted, the timing is appalling, as 114,000 students are preparing for exams and this may be their only mode of transport to sit those exams. In addition, an entire community of elderly and retired people who live in remote parts of the country rely heavily on these services. Moreover, initial data appear to show the Minister's initiative, The Gathering, will be a huge success. In this context, it is important that the service be fully operational during the months ahead in order that the undoubted benefits that will accrue will be shared evenly across the entire country and not simply in urban areas. As the Minister is aware, many of Ireland's cultural

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treasures are located in rural areas and it is important that visitors have access to them. As Bus Éireann will play a highly important role in ensuring access to remote parts of the country, the timing is appalling.

I have a couple of questions. First, how long has this process of engagement between the unions, the management and the Labour Relations Commission been under way? Does the Minister expects them to re-engage with one another in the short term? As for the workers who have raised this issue, is it not the case that, unlike other public servants, their core pay has been protected in the past and will be protected in the future? The Minister should address these basic issues.

Minister for Transport, Tourism and Sport (Deputy Leo Varadkar): I thank the Deputies for raising this important and pressing matter. Bus Éireann is in a very difficult financial position. It has incurred accumulated losses of €27 million in the past five years, which is unsustainable and now places the viability of the company at risk. In June 2012 the company announced its business recovery plan, with savings of €20 million-----

Deputy Thomas P. Broughan: On a point of order, is a ministerial script available to Members?

Deputy Leo Varadkar: I do not know, but the Deputy could listen-----

Acting Chairman (Deputy Peter Mathews): I will let the Deputy know in a moment.

Deputy Leo Varadkar: -----if he likes.

Deputy Thomas P. Broughan: Sorry?

Deputy Leo Varadkar: The Deputy could listen. However, I am sure a script will be provided for him.

Deputy Thomas P. Broughan: Hold on. This is not acceptable from the Minister.

Deputy Timmy Dooley: Tá siad ag teacht anois.

Acting Chairman (Deputy Peter Mathews): The scripts have arrived.

Deputy Brian Walsh: It is not the responsibility of the Minister to provide scripts.

Deputy Thomas P. Broughan: Actually, it is. When the Deputy has been in the Dáil for a bit longer, he will understand that.

Deputy Leo Varadkar: I understand the scripts are now being distributed. I also note that none of the Deputies opposite provided a script to me. I was obliged to listen to what they had to say and I hope they will listen to what I have to say. Would it be possible for me to start from scratch?

Deputy Thomas P. Broughan: I have a script for the Minister, if he wants it.

Acting Chairman (Deputy Peter Mathews): Please-----

Deputy Leo Varadkar: The Deputy did not distribute it. However, if it is okay with the Deputy, I will not have a row with him over something petty and procedural. This is an important issue.

Deputy Thomas P. Broughan: Yes, it is.

Deputy Leo Varadkar: I have provided a script now-----

Deputy Thomas P. Broughan: Now. Fine.

Deputy Leo Varadkar: -----and the Deputy did not.

Acting Chairman (Deputy Peter Mathews): I would like to rub clean the blackboard and have the Minister start again.

Deputy Leo Varadkar: I thank the Acting Chairman.

I thank the Deputies for raising this important matter. Bus Éireann is in a very difficult financial position. It has incurred accumulated losses of €27 million in the past five years, which is unsustainable and places the viability of the company at risk. In June 2012 the company announced its business recovery plan, with savings of €20 million, to bring the company back to profitability by 2013. Approximately €9 million in savings were to come from terms and conditions, with €11 million to come from operational savings. Although many of the operational savings have been delivered, no progress has been made on savings from terms and conditions, despite the involvement of the Labour Relations Commission and the Labour Court in the process. Without the necessary savings from changes to terms and conditions, as well as ongoing inter-city service changes, Bus Éireann is facing annual losses of more than €11 million, which simply are not sustainable.

According to the Labour Court and the trade unions' own independent financial assessors, Bus Éireann is in a precarious financial situation, with the very viability of the company now under threat. In its recommendation of 8 February last, the Labour Court concluded that significant reductions in the company's cost base, including payroll costs, were essential to ensure its future and to protect employment within the company. Under the company's business recovery plan and the Labour Court recommendation, there would be no reductions to basic pay or employment levels. Moreover, there have been no reductions to basic pay to date, despite the reductions applied to so many others in the country. It is important to emphasise that these issues have been through the full industrial relations machinery of the State, culminating in a Labour Court recommendation that recognised that the savings must be made to protect the jobs of staff. Before implementing the recommendation, the company engaged further with the unions through the Labour Relations Commission to ascertain whether any alternative measures could be identified that would deliver the same savings. This process did not identify any viable alternatives and now, 11 months after negotiations started and three months after the Labour Court recommendation was handed down, the company simply cannot postpone the implementation any longer. I am assured it will engage with the unions at any time and in any place to discuss alternative approaches, but unless these are agreed, the implementation date of 12 May must proceed.

The future of the company must be secured for the public that depends on its services and for the benefit of its employees. Bus Éireann runs commercial Expressway services that are currently loss-making and legally, the State cannot subvent these services. The viability of these services can only be secured if these savings are achieved now. I greatly hope the management and the unions will use the period between now and 12 May to engage in further intensive dialogues, which will ensure the necessary savings are made and that the provision of bus services for the public and the jobs of the staff are preserved.

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It is important to explain how Bus Éireann works to those who may not know. Essentially, it operates three sets of services. It operates schools services on a cost-recovery basis. It cannot make a profit on those services because, if it did, it would be obliged to put such services out to tender. The company operates a second set of services, namely, public service obligation, PSO, services. While these are subsidised by my Department, Bus Éireann cannot use the profits made from the PSO to cross-subsidise other services because that would be in breach of competition law. Finally, it operates commercial services that cannot be subsidised or subvented due to state aid rules. Consequently, this is not an issue of subvention and anyone who thinks I can find €1 million or €2 million from my budget or can re-profile spending and provide additional subvention to Bus Éireann to solve this problem is completely wrong, does not understand the facts and is misleading people. I cannot subvent commercial services that are now loss-making to the extent that they cannot be continued.

I also wish to conclude with the important point that there may be some Members of this House, particularly on the benches opposite, who think this Bus Éireann dispute is somehow emblematic of a bigger battle between unions and the Government over the Croke Park agreement or between management and workers or that it is some sort of ideological or philosophical debate about austerity. It is not. This is about a company that operates commercial services in competition with commercial operators and which is losing money. Its losses now are unsustainable, the jobs now are at risk, and the Labour Court says so. I wish to protect jobs, to save this publicly owned company and to protect services. The only way in which this can be done is for the Labour Court recommendation to be respected. I appeal to the Members opposite in this regard. There are bus drivers and Bus Éireann staff who have families to feed and mortgages to pay. There are passengers all over the country who need to get to work or to school. Let us not see bus drivers or Bus Éireann staff being out of pocket or anyone being inconvenienced, because the only way in which this can end is through the Labour Court recommendation being respected.

Deputy Regina Doherty: I thank the Minister. While the Minister has answered my question, he might clarify it a little. I asked whether there was flexibility within his budget to support Bus Éireann, but if my understanding is correct, he stated clearly that even if this was the case, he is not in a position to subvent commercial services. He should confirm this point. In addition, I refer to the first of the three sections within the organisation, namely, the provision of school services. Will they be affected next week or will that service be separate to the actions that will be taken?

Deputy Joan Collins: According to figures supplied to me, €58 million was taken out of Dublin Bus in 2009.

4 o'clock

The sum in question was €38 million from the drivers, with another €20 million now being sought, and €9 million relating to pay and conditions. This is core pay. I am a post office worker and although we very seldom got pay increases, we always negotiated when shift work, extra night work and other allowances were involved to try to support the wages we had, which were very low. These are very low paid workers and they cannot and will not accept these cuts. I ask the Minister to intervene and to bring the management back into the talks. The other day management returned, stayed seven minutes and walked out, leaving an ultimatum that the cuts were to be brought in on 12 May. That is not the way to do business. Managers should be sitting in with the unions right now, discussing the issue.

Deputy Thomas P. Broughan: There is no question here of a bigger battle, an ideology or whatever. All we want is that passengers will not be inconvenienced and that drivers, who are already on very modest pay and conditions, who have to work weekends, rest days and public holidays, will not be more seriously damaged by this. The Minister is the person in charge. What is he going to do about it? Is he going to go back to the industrial relations machinery or try to use some other methodology to have this matter resolved?

I refer to Bus Éireann management. A constant complaint I hear from workers is that senior management has not taken its share of the burden. Is this the case? Would the Minister know if it was the case? Is there not a question to answer in that regard? Does senior management not also have a significant responsibility to offer new and innovative alternatives to what is being proposed?

The Minister spoke at length about public service obligations, PSO, and what managers in Bus Éireann could and could not do. The reality is that the Minister has slashed the public service obligation support for this company. I remember listening to him speak during the previous Dáil. He has no time for public sector companies and wanted to privatise this one. In the United Kingdom, when the national bus service was privatised, the result was an oligopoly of private operators. That is what the Minister, Deputy Varadkar, wants.

Deputy Timmy Dooley: I asked the Minister what I thought were three serious questions. First, where does the Government stand on this? The response I got was that the Minister would stand idly by. Second, I asked what strategy the Government expects to put in place to deal with those who will be affected by this strike if it goes ahead, who will not be in a position to afford private transportation. Third, I asked what action the Minister intends to take to mediate between both sides. The best I got from him on those two questions was that he very much hopes that management and unions can get their act together in the period concerned.

More than that is needed from the Minister. He will have to take this as a serious issue. I am not having a go at him personally. I know he is doing his best in this regard. However, he will have to try harder and must put the two sides together. He will have to involve himself in a process of mediation. Clearly, neither the Labour Court nor the machinery of the State that is normally involved in resolving industrial relations is working in this instance. We conceded that and the Minister went on to comment about the Government and the unions *vis-à-vis* the Croke Park agreement. I believe there are people within the union structure who are very annoyed with the senior sections of their own organisations, who do not believe they are getting a fair hearing through the process of mediation available. This will require a much more involved process and greater intervention by the Minister. I look forward to his taking that on board.

Deputy Brian Walsh: I thank the Minister for his response and I welcome his clarity, particularly in regard to the issue of subvention. It is very important that the staff and the unions are aware the Minister does not have at his disposal a blank cheque that could address this issue. It is important that clarity is available.

I have some other questions and thank the Minister for his answers. How long has the process of negotiation been under way? Does he believe there will be engagement between the unions and the management of Bus Éireann in the coming ten days with a view to averting this action? Does he foresee a resolution?

Deputy Leo Varadkar: I can confirm to Deputy Regina Doherty that I cannot subvent

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commercial services. Bus Éireann can neither use profits from PSO services to subvent these services nor can it make profits from school bus services. I do not know whether school bus services will be affected. That will be a union call, and it is up to the unions to decide whether they want to affect the school services.

In answer to Deputy Walsh, the process has been going on for 11 months, at first with the LRC, then in the Labour Court. The court made its recommendation three months ago and we returned to the LRC and asked it to see if that could be tweaked. Those talks did not go anywhere. At the request of union leaders at senior level I was asked to intervene to defer implementation, which was done. Time has now run out. The company is in a position whereby it will not be able to pay the bills in the coming months because, unfortunately, 11 months were spent getting nowhere, which is very sad. Talks can continue at any time and place until 12 May but on that day the Labour Court recommendations will be implemented. There is no alternative. My role is to tell the people the truth about that and I hope people present, when they assess that, will understand it is the truth and will tell people over whom they have influence that this is the case. In addition, my role is to put in place contingencies in so far as it is possible to put in place alternatives, and to provide information where possible. That is what my Department and the National Transport Authority are now doing.

Deputies Joan Collins and Broughan pointed out that most of the staff in Bus Éireann are on modest core pay, which is entirely correct. It is also correct that core pay is not being reduced in these proposals. In fact, it is not being cut at all in Bus Éireann.

Deputy Joan Collins: Shift pay is part of core pay.

Deputy Leo Varadkar: Bus Éireann is not party to the Croke Park agreement. There was no pension levy or public sector pay cut and there will be no cuts to basic pay.

Deputy Joan Collins: They had to pay the universal social charge.

Deputy Leo Varadkar: What the Labour Court recommended is that there be reductions in overtime, premium pay and unvouched allowances and expenses only.

Property Taxation Administration

Deputy John O'Mahony: I thank the Ceann Comhairle for selecting this Topical Issues matter. Many issues concerning the property tax have arisen since it was included in the troika agreement three years ago, including in recent times exemptions for unfinished estates. That is not the reason I raise this matter. I raise it on behalf of those who want to pay their property tax and fulfil their responsibility but who are finding obstacles being put in their way. They have heard the warnings from the Revenue Commissioners who claim they will get the money in any case, and by and large these people wish to fulfil their responsibilities.

The first problem is trying to register. Large numbers of people did not receive letters from Revenue. I do not know the reason for that. Perhaps there is no database. I have had many people come to my office and my clinics who have paid their household charge and who, I presume, should have been on a database as a result, yet they still have not received letters. They telephone the lo-call number for Revenue and in some cases are left hanging on for 20 minutes before they get to talk to anybody. When they do get through, they say they wish to pay the tax

and ask for a form so they can register because registration will not be done over the telephone. Revenue does not send them the letters and they are then told they can register online. There were six people in my office in Claremorris this morning whom my staff helped to register online. We are glad to do that and glad to help them but it should not be the function of any of our offices to do the work that is supposed to be done by Revenue.

As for the 20 minutes some people are left hanging on, is it the case that there are not enough people on the other end of the line to cope with what is coming their way? The final day for registration by post is next Tuesday, 7 May. Monday is a bank holiday and there will be no lo-call service or anything else for the people making queries. I appeal for the date of registration by post to be extended to the same day as the date for online registration, which is at the end of May. I do not want to see this turning into another SUSI or what happened when medical cards were centralised, but it seems that is how it is developing. I am aware that homeowners are required to register and pay their taxes but many of those who have not received letters are ignorant of their responsibilities. What has been done to inform people who live abroad and families who have emigrated recently about their responsibility to pay the tax?

Minister of State at the Department of Arts, Heritage and the Gaeltacht (Deputy Dinny McGinley): I thank Deputy O'Mahony for raising this matter. The feedback on the ease with which the local property tax, LPT, can be paid has generally been positive. I am advised by the Revenue Commissioners that over 400,000 people have successfully filed their LPT returns to date and have either paid immediately or selected one of the other available payment options. I understand this afternoon's tax receipts announcement for April will confirm that approximately €21 million has already been paid to the Exchequer in respect of the LPT. The large numbers that are successfully meeting their LPT obligations strongly indicate that not many people are experiencing problems when paying the tax. Revenue is providing a dedicated helpline at 1890 200255 to assist any person experiencing difficulties in either paying or filing and this service is proving to be beneficial in regard to ensuring people clearly understand how to meet their LPT obligations. I am informed by Revenue that a number of different payment options have been put in place to assist people in meeting their obligations, including the option to pay the tax in one single payment or to phase payments in equal instalments from 1 July 2013 to the end of the year. Revenue's strategy in this regard is to ensure taxpayers have a choice of payment options from which they can choose the method which is most suited to their individual circumstances.

Revenue has provided eight separate payment options to facilitate people in meeting their LPT obligations, including a single debit authority, which operates like an electronic cheque, is activated by completing the payslip on the LPT return and will not be deducted from bank accounts by Revenue any earlier than 21 July 2013; debit or credit cards; cheques, bank drafts or postal orders; cash payments, including debit and credit cards, through Revenue approved payment service providers; phased cash payment arrangements, including debit or credit cards, through Revenue approved payment service providers; deduction at source from salary or occupational pension commencing on 1 July 2013; deduction at source from certain payments received from the Department of Social Protection, provided that the deduction does not reduce the personal rate payment to less than €186 per week or deduction at source from payments received from the Department of Agriculture, Food and Marine; or direct debit commencing on 15 July 2013 and deducted on the 15th day of each month thereafter up to 15 December 2013. For the cash payment option, the approved payment service providers appointed by Revenue are An Post, TaxPay, Payzone and Omnivend. These service providers were approved because they have extensive nationwide outlets and are easily accessible. They provide liable persons

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with the facility to pay the LPT in full or on a phased weekly or monthly basis as best suits individual circumstances.

Deputy John O'Mahony: I thank the Minister of State for his reply but it did not address any of the questions I raised. I ask him to contact the Minister for Finance to seek a comprehensive response to my questions. I have been contacted by six people this morning and other public representatives in my area are dealing with elderly people who have not received letters and cannot access the Internet on their own. What is going to be done for these people? Will the deadline be extended? They want to pay their household tax. I accept what the Minister of State had to say about the millions of euro that have already been paid. I could have given a long speech about how people have accepted the valuations but I am specifically concerned about the people who we cannot afford to leave outside the law. I understand that it is not possible to pay by cheque. The people whom I refer cannot access the online payment facility.

Is it necessary to register uninhabitable houses which were exempt from the household charge? Are church properties or parish priests' houses exempt as charitable organisations? I would be grateful if I could receive answers to my questions.

Deputy Dinny McGinley: They Deputy has raised a number of perceived difficulties.

Acting Chairman (Deputy Peter Mathews): They are operational difficulties.

Deputy Dinny McGinley: His concerns will be conveyed to the Minister and the Department.

Acting Chairman (Deputy Peter Mathews): The important thing is urgency.

Deputy John O'Mahony: We are dealing with a deadline of next Tuesday.

Deputy Dinny McGinley: The Minister is satisfied that Revenue has provided a significant amount of information on payment options and both the LPT return and the booklet, *Your Guide to Local Property Tax*, covers this in some detail. It is also open to property owners who have queries on any aspect of the various payment options to call Revenue's dedicated LPT helpline. We want to make it as easy as possible for people to pay what is due. It is not in Revenue's interest to place obstacles in the way of paying the LPT.

Acting Chairman (Deputy Peter Mathews): The kernel is the need for urgency because of the deadlines and the ability to contact Revenue.

Commemorative Coins

Deputy Michael McNamara: As the Minister of State will be aware, The Gathering is taking place this year as Ireland seeks to attract visitors from around the world, including in particular people with family connections to Ireland. Next year is the anniversary of another important event, namely, the Battle of Clontarf. I understand the Department of Arts, Heritage and the Gaeltacht is organising various events to commemorate this anniversary. It will provide an opportunity to focus on our past and our military victories, although that is a matter which has gone out of fashion in modern Europe.

It also allows us to remember our connection with Scandinavia. Dublin is largely a Viking

settlement and the Irish gene pool bears a remarkable similarity to Iceland. Either Irish people were very good swimmers or else they went to Iceland as slaves. In any event, Brian Boru died immediately after the Battle of Clontarf in 1014 and next year we will mark the passing of a millennium since that important event. This provides an opportunity to arrange international events and to increase co-operation with other countries. The Brian Boru project in Killaloe has submitted a request to the Central Bank that it issue a commemorative coin next year to mark the death of Brian Boru 1,000 years ago. The forthcoming millennium anniversary has energised the community of Killaloe, an old, medieval settlement which dates back to Brian Boru's time. When he was High King of Ireland Brian Boru had his capital at Kincora, a settlement at the top of the hill in Killaloe on which a Catholic church was built approximately 100 years ago. St. Flannan's Church of Ireland Cathedral, which is located at the bottom of the hill adjacent to the river, is an important archaeological site. It is a beautiful building similar to St. Mary's Cathedral in Limerick and both structures were commenced around the time of Brian Boru and built in the Romanesque style, of which Ireland has many important examples.

As the Minister will be aware, the Central Bank issued a commemorative coin featuring a line from James Joyce's *Ulysses*, which was unfortunately misquoted. There is, therefore, a facility to issue commemorative coins. The Central Bank acts as the agent for the Minister for Finance in respect of the issue of coins. Accordingly, any commemorative or collector coins issued by the bank require prior approval from the Minister. I urge him to consider approving the request to issue a coin commemorating Kincora and the anniversary of Brian Boru's death at the Battle of Clontarf 1,000 years ago.

Deputy Dinny McGinley: I thank Deputy McNamara for submitting this topic for discussion as it is a matter in which I have an interest.

I understand the Central Bank's numismatic advisory committee has recommended that in 2014 the millennium of the Battle of Clontarf be marked with the issue of a €20 gold proof coin. The Central Bank will shortly submit its recommendations for the 2014 collector coin programme to the Minister for Finance for approval. I expect the Minister will take a favourable view on the recommendation for a coin to mark the millennium of the Battle of Clontarf. The Central Bank's plans would involve the issue of a small gold coin with a weight of 0.5g and a likely issue limit of 10,000.

Deputies may be interested to learn that later this year the Central Bank will issue collector coins to mark the centenary of the 1913 Lock-out and the 50th anniversary of the visit of President John F. Kennedy to Ireland in 1963. Next year will also see the issue of a small gold coin with a Celtic theme that will feature the Rock of Cashel.

Recent collector coin issues by the Central Bank have been very successful, with the James Joyce coin, to which the Deputy referred, and Michael Collins coin selling out almost immediately after their launch. I am sure the Battle of Clontarf millennium coin will also be very popular. I am not sure if this will satisfy the Deputy as I am not certain whether he wants the place of birth of Brian Boru or the place of his heroic death to be commemorated.

Deputy Michael McNamara: It is good news that Brian Boru and the Battle of Clontarf will be commemorated by the Government next year. I am also anxious that any celebration of the life of Brian Boru will include Killaloe and Kincora where he was based. This could be done in various ways, one of which is by issuing a commemorative coin. I am pleased the Minister for Finance will consider a recommendation to this effect from the Central Bank and

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I hope he accedes to it. The contribution to Irish history of Kincora and Killaloe could be acknowledged in other ways. During a period when there was much more money floating around, the Cabinet also floated around, holding nine meetings outside Dublin between 2000 and 2006. A number of meetings were also held in Farmleigh during the previous Irish Presidency in 2004. While I accept the decision of the Cabinet on financial grounds to confine its sittings to Dublin, as the economy improves, I ask that it consider holding a meeting in Killaloe in 2014 to commemorate its unique contribution to Irish history as the base and home of Brian Boru and site of St. Flannan's Cathedral, with which he was closely connected.

Deputy Dinny McGinley: I acknowledge the Deputy's interest in promoting Killaloe where Brian Boru was born. As a part of his constituency, it is only natural that he would seek to do so. Killaloe is Brian Boru's place of birth and Clontarf is the location where he met his heroic death on Good Friday 1014 while praying for Ireland in his tent. Another place near my constituency where Brian Boru could also be commemorated comes to mind. I wonder if Deputies know where the ashes of Brian Boru reside.

Deputy Seamus Healy: In Cashel.

Deputy Dinny McGinley: As the Deputy from Tipperary knows well, the ashes of Brian Boru rest in the ancient city of Armagh. I hope that when we commemorate and celebrate Brian Boru's life, we will include in the reckoning Killaloe, Clontarf, Armagh and other places along the way. To address the core of the Deputy's question, a coin will be issued to commemorate Brian Boru's death 1,000 years ago.

Deputy Tom Fleming: May I make a brief point?

Deputy Dinny McGinley: I do not believe Brian Boru ever got as far as Kerry because if he did, he would never have got out of it. I jest.

Deputy Tom Fleming: Brian Boru went to school on Inishfallen Island on the lakes of Killarney. He used to pass my door on his way to and from school.

Fodder Crisis

Deputy Tom Fleming: I am pleased the Minister for Agriculture, Food and the Marine, Deputy Simon Coveney, is present for this debate. I compliment him on intervening in the fodder crisis, which has reached extremely serious proportions. According to one school of thought, the crisis would have been avoided if we had experienced more sunshine earlier in the year. Grass growth is approximately six months behind in practically every area of the country owing to climactic conditions dating back 12 months or more. For example, 2011 was not a productive year for grass growth. While the recent weather may be due to global warming, conditions in the south west have created a catastrophe.

Last November, when County Kerry was experiencing extremely high levels of rainfall in comparison to the east, I pointed out to the Minister that tonnes of hay were being brought into the county. I understand a dealer or merchant from County Wicklow was collecting hay, probably in counties Carlow, Wexford and Waterford, and making daily deliveries to County Kerry. The dealer's lorry seemed to be operating around the clock, with two drivers on hand at all times. This illustrates the serious and extreme difficulties that people were then experienc-

ing. At that time, I inquired of the Minister as to how matters were likely to be in January. It is now May and the Minister's intervention has helped to ease the situation. However, there is still great concern in many remote areas where the co-operative movement may not be as strong as elsewhere and where distribution is not as straightforward. Farmers in such areas are faced with a terrible dilemma.

I compliment the IFA on the efforts it is making and on the amount of money it is expending. I welcome the co-operative system that has been introduced in recent days. This is a great initiative. I compliment those farmers who were fortunate to have surplus fodder and who co-operated with their neighbours and with farmers in other parishes. What has happened recently shows that the co-operative spirit is still present in this country. The co-operative movement was initiated by Horace Plunkett in the 19th century and the spirit behind it remains among the people, which is good.

Tomorrow is supposed to be the final closing date for the transport scheme. I ask the Minister to extend the distribution system to the marts and private merchants in order that €1 million allocated might be fully utilised. If there is a need to extend it by a further couple of weeks, then this should be done. Serious consideration should be given to a further extension because many people remain in dire straits.

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): I thank the Deputy for raising this issue because it presents me with the opportunity to clarify a number of matters. It is rare that I am asked during a Topical Issue debate to do something which I already did the day before. However, that is the case in this instance. Yesterday, we extended the deadline relating to the transport subsidy for an additional week until 10 May. That said, this is a good time to explain to people the other things that are happening.

This is a genuine crisis for many farmers and it has resulted in a great deal of stress in a large number of farm households throughout the country. My Department has been involved in trying to manage this very difficult situation for many months. This situation did not just arise in the past two weeks. Last year's very poor summer - with high levels of rainfall and a lack of sunshine - resulted in poor and smaller quantities of silage. We were aware in August and September of 2012 that we were going to incur huge expense in the context of being obliged to supplement the feed for beef and dairy herds through the winter. The onset of winter came early, which meant that grass growth ceased earlier than normal. In addition, it was extremely wet and people were obliged to bring their animals indoors. Some individuals had to keep their animals indoors during the summer and the autumn. We worked with farmers, in conjunction with Teagasc, through the winter months to extend and maximise the potential of their fodder. However, the winter lasted six weeks longer than normal. As a result, grass growth is five weeks behind the level at which it should be at this time of year. That has resulted in a real and measurable fodder shortage with which we are trying to deal.

In the context of our response to the crisis, any farmer who is in an emergency situation and who is of the view that he or she cannot feed his or her cattle because he or she cannot access or cannot afford to buy fodder should contact my Department immediately on Callsave 1850 211 990. No animal should starve as a result of a lack of fodder. We will intervene to ensure that animals do not starve and we will pay for the feed required. The Department has received over 400 calls to that number. Approximately 60 of these related to extreme situations in which we were obliged to intervene through our local veterinary offices in order to ensure that animals were fed. We make such interventions on a confidential basis and, in such circumstances, farm-

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ers should feel comfortable contacting us. We referred the other 300 plus cases to co-ops which are importing and providing feed.

What has happened in recent weeks in the agrifood industry has been extremely impressive. People and organisations have come together and the dairy co-ops have already imported more than 300 loads of hay. Each of the 20 bales contained in these loads can feed approximately 150 animals a day. This means that, to date, 500,000 animals have been fed by means of the hay that has been imported. In addition, there has been a significant increase in the amount of maize being imported by Glanbia through Dublin Port. The response has been quick and it is being encouraged by our transport subsidy, which has been extended for an extra week. We have informed non-dairy co-ops that want to bring in large quantities of feed that if they can provide the same type of billing system as that used by the dairy co-ops and if there is a genuine lack of availability of hay through such co-ops in their areas, then we will deal with them on a case-by-case basis.

There is assistance available for farmers who are in emergency situations. These individuals should contact the Department. I can inform farmers who are seeking additional hay that there is more on the way. The shipments that will arrive next week will represent a significant step up on the amounts already imported. In the meantime, grass has begun to grow again. Roughage is the issue when it comes to herds. Our focus in the context of spending public monies has been to deal with the problem that exists, namely, the need to import large volumes of hay into the country. I am glad to inform the House that our efforts in this regard are working.

Deputy Tom Fleming: I thank the Minister for his reply. He has sent out a strong message to everyone involved in the industry that crises of this nature can be tackled if there is goodwill among people. The response to this crisis was organised very quickly and we must ensure that the momentum is maintained. I thank the Minister for responding positively to the parliamentary question I tabled on Tuesday last by extending the transport subsidy to 10 May. I had requested that it be extended to 15 May but what he has done is still a wonderful and very appropriate gesture in these challenging times. I also requested that the distribution system be extended to the marts. Those who own and manage the marts have their fingers on the pulse and are aware of the position in their localities. In view of the unpredictability of our weather, we do not know how long this crisis will last.

Another matter I should refer to is the scarcity of lorries suitable for transporting hay. It would be great if lorries with flat trailers could be used in emergencies. Will the Minister consider advancing single farm and other relevant payments to the farmers who have been badly affected by the crisis?

Deputy Simon Coveney: On each occasion I give an answer, I am presented with further requests. This is a serious matter and the Department and the industry have responded to it together in a very comprehensive way. Help is on the way for the many farmers who continue to experience significant shortages of fodder. In an extreme situation, we will intervene and feed their animals until they can afford to do so. Co-ops and, in some cases, marts are importing large volumes of fodder and trying to get it out to farms as quickly as possible. This will continue.

We have discussed the matter with a number of banks. The key banks have attended long meetings in my Department. They assure me that they want to lend money to farmers as bridging finance to get over the credit hump that many farmers experience after a difficult winter.

The main co-ops are extending a great deal more credit than they normally would. We are undertaking an initiative to try to return the grazing season to normal and to encourage farmers to buy and put out fertiliser. During May, all co-ops are providing interest-free credit to purchase fertilisers in order to encourage farmers to return to a normal grass growing season.

I thank the farming organisations, which have been supportive during this difficult time. I thank the Irish Dairy Board, which has responded to our requests for help by putting a significant fund in place to support dairy farmers. As of today, SuperValu has announced a significant fund to support farmers who are struggling because of fodder shortages. Whether it is retailers, the Irish Dairy Board, co-ops or farming organisations that are putting money behind their words or whether it is my Department and the arms of the State, including Teagasc, that are working with farmers, there is a significant collective effort to get farmers through a difficult number of weeks. We will pull through. Given the strong prices for beef, dairy and other agri-food commodities, we can salvage this year, but we need to get through the coming weeks. To do so, significant volumes of fodder need to be imported. This is happening.

Ceisteanna - Questions

Priority Questions

Garda Recruitment

1. **Deputy Niall Collins** asked the Minister for Justice and Equality his plans for Garda recruitment in 2013; and if he will make a statement on the matter. [20855/13]

3. **Deputy Seamus Healy** asked the Minister for Justice and Equality when he intends to recommence recruitment to An Garda Síochána; when he intends to re-open the Garda College in Templemore, County Tipperary for Garda training; and if he will make a statement on the matter. [20977/13]

Minister for Justice and Equality (Deputy Alan Shatter): I propose to take Questions Nos. 1 and 3 together.

There are currently just under 13,400 members of the Garda Síochána, along with approximately 2,000 civilian support staff and 1,100 reserve gardaí. While it is difficult to predict with any certainty the number of Garda members who will retire in any year, given that members with 30 years' service may retire on full pension after the age of 50, a retirement rate in line with recent experience could see Garda strength approaching 13,000 by the end of this year. I have said that I would not like to see Garda strength fall below that level and I will bring proposals to Government shortly in respect of maintaining Garda operational strength.

However, it is of course the case that a resumption of Garda recruitment, at a time when both overall headcount and the size of the pay bill in the public service must be reduced, would have financial implications that must be managed within the overall resources available to Government. It is not credible for any Deputy to pay lip-service to the need for budgetary discipline while at the same time implying through questions like these that the cost of significant ele-

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ments of the public service can be increased without regard for the financial consequences. In that context, it is important that the current impasse in terms of the Labour Relations Commission, LRC, proposals on saving €1 billion from the public service pay bill, including €300 million this year, be first resolved. As Deputies will be aware, the LRC is currently exploring with all of the parties concerned the potential for such a resolution. I hope that there is a positive outcome to that process.

I also remind the House that the expenditure ceilings for the years 2012-14 planned by the last Government would have resulted in an average of €90 million less for the Garda Síochána budget each of the years 2012, 2013 and 2014 than is the case under this Government. Such a scenario would have necessitated a significant further reduction in Garda strength, not an increase, and perhaps Deputies might not lose sight of that when discussing this issue.

Any resumption of Garda recruitment will have implications for the Garda College in Templemore, but I assure the House that the Garda College remains fully open as the main training centre for the Garda Síochána. The chief superintendent in charge of the college and the members of the team there develop, co-ordinate and direct all training interventions up to the most senior ranks.

The college provides operationally focused training across a range of areas, including firearms training, driver training, public order training, operational skills programmes, management development programmes and, of course, Garda Reserve training. In 2012,

training was provided in the college for over 5,000 members of the Garda Síochána, and I can confirm for the House that the college will continue to provide a centre of excellence for training for members of the Garda force.

Deputy Niall Collins: The time has come to stop dodging the issue of recommencing Garda recruitment and training. We have discussed it many times in the House. The Minister indicated that recruitment would recommence, but in no way was that indication prefaced on the passing of the Croke Park II ballot by the unions. Croke Park II was a complete shambles and the Government took it for granted that public servants would buy into the proposals. The Government sought to rely on some of the larger trade unions to get its proposals over the line. Listening to a number of Ministers spinning the story that the deal was fair and proportionate even before the details were published, or even before they had read the details agreed at Lansdowne House, was distasteful.

If the numbers of the force drop below 13,000, the new rostering system will not function. The Minister has sought to trumpet that new system as one of the innovations of his smarter policing reforms.

An Leas-Cheann Comhairle: A question please, Deputy.

Deputy Niall Collins: The Minister has still not defined for the House what smarter policing entails. Recruitment into the Defence Forces is continuing and the Minister has not nailed his colours to the mast as regards his preference for the minimum complement of the force. He has stated he would like to see it remain at 13,000. This is like a wet paper bag, in that one could just tear it apart. What is the Minister's position on the question of the level at which the numbers of the force should be held? Is it his position that recruitment is contingent on some form of agreement of Croke Park II? What is the timeframe? Clearly, the Minister did not have a plan B for the Croke Park II exercise.

Will the Minister provide the House with some degree of clarity? He is constantly dodging and weaving. He is like the proverbial goal posts, in that he moves around the pitch every time someone tries to take a shot and tie him down.

An Leas-Cheann Comhairle: Please, Deputy. I must call the Minister and then Deputy Healy.

Deputy Niall Collins: The Minister is usually the type of man who digs in. This time, he is the type of man who engages in U-turns.

Deputy Alan Shatter: The Deputy has yet again illustrated that he has a neck as thick as a rhinoceros's behind, talking about dodging and weaving-----

Deputy Niall Collins: I am sorry, but on a point of order, that is an exceptionally personal insult.

An Leas-Cheann Comhairle: No, we will not-----

Deputy Niall Collins: I could liken the Minister to a lot of characters.

An Leas-Cheann Comhairle: Deputy, please.

Deputy Niall Collins: He should be man enough to enter the Chamber and engage on the issues while refraining from making personal insults. He personally insults everyone. It is why he is off-side with everyone, even the Judiciary, his former colleagues.

An Leas-Cheann Comhairle: Please, the Deputy should resume his seat. The Minister and Deputy Healy are yet to contribute.

Deputy Niall Collins: The Minister should address the issue, not me.

An Leas-Cheann Comhairle: The Minister has the floor.

Deputy Alan Shatter: I am sorry if I touched a sensitive zone.

Deputy Niall Collins: No, the Minister did not.

Deputy Alan Shatter: The Deputy accused me of dodging and weaving on issues-----

Deputy Niall Collins: Absolutely.

Deputy Alan Shatter: -----and I am entitled to respond. He is classically dodging, weaving and trying to reinvent history.

Deputy Niall Collins: No, I am not.

Deputy Alan Shatter: The simple reality is that, under the agreement Fianna Fáil entered into with the troika, there would have been - I emphasise this - €90 million per year less available to An Garda Síochána for 2012-----

Deputy Niall Collins: No, there would not.

Deputy Alan Shatter: -----2013 and 2014. That is factual.

Deputy Niall Collins: It is not.

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Deputy Alan Shatter: It is a factual matter that the Deputy seeks to avoid dealing with and dodge. Indeed, his leader, Deputy Martin, seeks to do that while pretending a concern for recruitment to An Garda Síochána so as either to con members of the Garda force about the level of Fianna Fáil's commitment or to mislead the general public disingenuously. The reality is, I have said - and I repeat - that I do not want to see the Garda force drop below 13,000, but I cannot have additional members recruited to the Garda force unless I have the funds-----

Deputy Niall Collins: The Minister does not want or he will not?

Deputy Alan Shatter: -----to pay the salaries that must be paid. I remained quiet while the Deputy was asking his questions of me. He is great at asking questions, but the truth is that he has no answers. He does not like my answers, which is why he feels the need to interrupt. The simple reality is that we have provided the funding to An Garda Síochána to preserve numbers at a higher level than was envisaged by the Deputy's party in government. His party in government envisaged the numbers being down to 13,000 by the end of 2012. However, his party in government had no financial allocations that would facilitate any recruitment in 2013. We managed to maintain numbers at 13,400 at the commencement of this year and we now have to address the issue, namely, the gap of €300 million that must be addressed in the context of the public sector wage bill. I cannot be blind to that. It is my hope that the further discussions taking place under the aegis of the Labour Relations Commission will prove to be successful or helpful in addressing these matters.

These are issues on which my Cabinet colleagues must reflect, following upon the further discussions that are taking place. I as Minister have to ensure that when we commence a recruitment campaign, which we will do, I have the funding to pay the salaries of those who are recruited to An Garda Síochána. Unlike the Deputy, I cannot magic up funds that do not exist. It was that type of politics that got this State into the mess we have been cleaning up.

Deputy Seamus Healy: The public is entitled to effective policing. Unfortunately, we are fast approaching, if we have not already reached, a situation whereby the effectiveness of policing is being called into question. I refer in particular to the non-replacement of gardaí, the retirement of gardaí and the fact that we have no recruits in the training college in Templemore. There is a concern generally about policing but a particular concern has been expressed to me by gardaí about community policing. That aspect of policing is not anything like as effective as it was in the past.

An Leas-Cheann Comhairle: Could the Deputy frame a question please?

Deputy Seamus Healy: There is none or very few dedicated community gardaí as they are being called here, there and everywhere to cover other areas. There is an essential need for community gardaí to talk, interact, liaise with and get to know young people in order to get them on board at an early age. The community garda system is in danger of breaking down.

An Leas-Cheann Comhairle: Does the Deputy have a question please?

Deputy Seamus Healy: The Minister said he has a difficulty with money but money is available. The Government has told us that the promissory note deal has saved approximately €1 billion a year, together with the restructuring of loans. Could he immediately recommence Garda recruitment and re-open the college in Templemore for the training of garda recruits as a matter of urgency?

Deputy Alan Shatter: I entirely agree with the Deputy. The public is entitled to effective policing. The public is getting effective policing because if the Deputy examines the Central Statistics Office figures, the most recent figures published show that crime is effectively down in 11 of the 14 crime categories. In the context of burglary, if one compares the last quarter of 2012 with the last quarter of 2011, there was a reduction of 11% in the number of burglaries that took place in the State. In the context of the interventions that have taken place, the targeted operations by An Garda Síochána have been extremely effective in addressing issues of criminality in the State. The Garda Síochána, and in particular the Garda Commissioner and those working with him, have my full support in the important work they are doing.

I wish that we were in a different environment, that we were *flaithiúlach* with money and that we did not have a fiscal and economic crisis for the Government to address. I also wish that in 2013 I did not have a budget in my Department which has €163 million less available across the entire justice sector when compared with the funding available to me in 2011. Unfortunately, a magic pot of money does not exist. There is an obligation on the State to bring our public expenditure in the context of the public wage bill down and under control. It is in the interests of the entire country that we achieve that outcome so that we resolve our fiscal difficulties and that we can focus entirely on economic growth. That is an issue that is central to the objectives of the Government: to get people back into employment and to reduce public expenditure. I want to get people recruited to the Garda force. I can say that categorically to the Deputy but I cannot do that responsibly until I know for certain that the funding is available to pay the salaries of the new recruits I want to see being trained in Templemore college.

Judicial Appointments

2. **Deputy Pádraig Mac Lochlainn** asked the Minister for Justice and Equality if he has read the Reform Of Judicial Appointments Procedures Bill 2013; and his views on whether it forms the basis for bringing an end to the on-going practice of political appointments to the Judiciary [20924/13]

Deputy Alan Shatter: As I indicated to the Deputy on the previous occasion we discussed the matter, I welcome his contribution to this important issue and will have regard to his Private Members' Bill in the context of my Department's review of the judicial appointments process. I have read his Bill very carefully and I appreciate the contribution he is making to this process. If his party wishes to progress the Bill in its own Members' time, it is entitled to do so and will receive full consideration in the House. I suggest that if he does so it is in the context of us debating the issues transparently. A number of matters arising in the Bill are a cause of difficulty and it might well be that we need more radical reform.

As the Deputy is aware, under the Constitution judges are appointed by the President on the advice of the Government. Since 1995, the Judicial Appointments Advisory Board has submitted to the Minister for Justice and Equality the names of persons recommended for appointment. This system has operated under successive Governments since that time.

With a view to ensuring the most up-to-date practice, particularly by reference to other jurisdictions, I have asked my officials, as I advised the Deputy previously, to conduct an examination of the current procedure. While any proposal to revise the current system of judicial appointments would, of course, be a matter for consideration by Government, I hope that we can achieve a wider consensus on reform.

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Our independent Judiciary has served the country extremely well, and it is vital that the public maintains full confidence in that independence at all levels within our court structure. I simply do not accept the implication in the question that no lawyer, be it a solicitor or a barrister, who engages in democratic politics should ever be appointed to the Judiciary, that any such engagement should render an individual ineligible for judicial appointment, and that such engagement in some way contaminates their future capacity to act with judicial independence in cases before the courts. It is clear from the conduct of our Judiciary since the foundation of the State that members of the Judiciary, at all levels within our courts system, have acted with independence and that no party-political bias is manifested in decisions made and judgments delivered.

Deputy Pádraig Mac Lochlainn: We have had a discussion about the fact that many people in the legal profession engage in political life, which is to be welcomed. They give advice to political parties and their expertise is sought on many occasions. However, that is not the point I make. That should not rule members of the legal profession out but the difficulty is the current process leaves it open to the accusation that a judge is appointed because of his or her political affiliation. That should not be the case, as it undermines him or her when he or she assumes his or her career in the Judiciary. I agree that we have a history of the Judiciary in this State, independent of the Oireachtas, who have given considerable service and dedication to the State. No one intends to cast aspersions on them. The fact is that the current process has too much political interference and we need much more accountability.

An Leas-Cheann Comhairle: Could the Deputy ask a question please?

Deputy Pádraig Mac Lochlainn: My Bill seeks to give more authority to the Judicial Appointments Advisory Board. I appreciate that the Minister gave a commitment in the programme for Government for a judicial council. I welcome his consideration of my Bill and the fact that he believes we need to go further. I urge the Minister to do so as soon as possible.

5 o'clock

Certainly, I would suggest that he wants to be the last Minister for Justice and Equality to preside over any question mark relating to the appointment of a judge for political reasons.

Deputy Alan Shatter: Again, it is important that we do not raise questions over the independence of any member of the Judiciary, regardless of which Government has made the appointment. I wish to assure the Deputy, despite what I read in the newspapers, that every judicial appointment made by this Government has been made on merit, and I can say that categorically. There was an interesting survey done by a journalist working for the Independent News & Media group which carried a headline to the effect that one third of judicial appointments over a period of years were of individuals who had some connection with democratic politics. Of course, the headline was not to the effect that two thirds of them had no such connection. Activist lawyers who are interested in social and political issues and in law reform will frequently engage with political parties of different political persuasions so that areas of law badly in need of reform are highlighted and they can contribute to the legislative process. That is and should be welcome.

I have some difficulties with the Bill proposed by the Deputy. It is important that appointments are made in a manner that is independent and the Judicial Appointments Advisory Board, JAAB, criteria are currently specified in statutory provisions. The Deputy's Bill seeks to amend

those statutory provisions slightly to provide that additional requirements can be contained in guidelines published by the Minister. If the Minister could direct the JAAB through guidelines, outside of a decision of the Houses of the Oireachtas, as to how it should approach an individual judicial appointment, we would hear howls about an attempt by the Minister to interfere in the independence of the Judiciary. That is an issue of concern.

In the wider public debate, an interesting issue arises in the context of judicial appointments, namely that judicial appointments in this State are confined to practising barristers and solicitors. In other jurisdictions they are not so confined. In the United States of America, for example, some of the leading members of the Supreme Court came from academia. Is that something we should consider? Should we, for example, ask professional bodies such as the Bar Council or the Law Library to provide professional courses for those who would at some future date seek to be appointed to the Judiciary, so that there is some form of training in advance of such appointments? These are issues that should be part of the public debate, although I am conscious that there are differing views on them.

Deputy Pádraig Mac Lochlainn: I appreciate the Minister's engagement and while I acknowledge that my Bill is not perfect, it is a good offering.

The Bill refers to the JAAB's drawing up a shortlist of three candidates and publishing the reasons for its selection. The Government would then choose one of the candidates and publish the reasons for its choice. That removes any suggestion of impropriety in the selection process. The Minister has heard suggestions through the years that a man or woman was appointed to the Judiciary only because he or she had previously worked for the Labour Party, Fianna Fáil or the Progressive Democrats. It is deeply unfortunate that somebody who commences an independent judicial career should have a question mark over his or her appointment from the outset. If the selection process is more accountable, we can remove that doubt. That is the problem and that is why we read articles about one third of the Judiciary having political connections. It is deeply unfortunate and it impinges on their independence and their careers. That is all I am asking of the Minister.

Deputy Alan Shatter: I would be in favour of some additional transparency but I have particular concerns with what the Deputy is suggesting in his measure. Let us assume, for example, there is one person to be appointed to the Judiciary and three names are publicly given and background information about the candidates is also publicly given. It would be fine for the person who was appointed but it could be a considerable embarrassment for the two who were not. The two who were not appointed may well be just as eminent and could equally make very good members of the Judiciary. If, six months later, one of those two candidates is appointed, there could be a question about why he or she was not good enough to be appointed previously but is now good enough to be appointed. We must be careful to ensure that whatever system we implement does not damage the reputation of individuals who properly seek to be appointed to the Judiciary and that there is no question of their credibility being in any way damaged prior to such an appointment being made. These are issues that we must tease out and address very carefully, and we must not jump to conclusions.

Judiciary Issues

4. **Deputy Niall Collins** asked the Minister for Justice and Equality the mechanisms of the new communications between the judiciary and the Government; and if he will make a state-

ment on the matter. [20856/13]

(Deputy Alan Shatter): It is usual for the Minister for Justice and Equality to have regular contact with the Judiciary regarding Courts Service matters. Since my appointment I have met regularly with the Chief Justice in her capacity as chair of the Courts Service Board on a range of issues and, from time to time, with other members of the Judiciary. Prior to the enactment of the Personal Insolvency Act 2012, the Attorney General and I also met with the Chief Justice and the President of the Circuit Court to discuss the role of the new specialist judges of the Circuit Court. Members of the Judiciary meet with members of the Government from time to time in the course of normal business and ongoing links are maintained between the Attorney General and the Chief Justice.

As the Chief Justice recently highlighted, the Government has facilitated a new arrangement in the form of a committee chaired by the Chief Justice and comprising the presidents of the courts and other senior judges. In the past, meetings between the Attorney General and the Chief Justice were on a more *ad hoc* basis. The Attorney General, who has traditionally acted as the formal link with the Judiciary, also attends the committee, accompanied by the Secretary General to the Government. A meeting of this committee took place during April and a further meeting will be held this month.

I have also met the Chief Justice and other members of the Judiciary on numerous occasions over the past two years at seminars, launches and other functions. In addition, there are several working groups on matters of mutual interest under the aegis of my Department to which judges have been nominated by the Chief Justice to participate, where appropriate, together with officials of my Department and the relevant agencies. For example, the working group on efficiency measures in the criminal justice system - Circuit and District Courts, reported to me and the Chief Justice last December on the implementation of significant and welcome reforms, and its work is ongoing in 2013.

As the Deputy will be aware, the programme for Government contains a commitment to legislate to establish a judicial council, which has been promised for over a decade. I can confirm to the Deputy that the Attorney General has indicated that it will be possible to publish the Bill this autumn. The council will provide a statutory basis of formal communication with the Judiciary, as well as promoting excellence and high standards of conduct by judges. The Deputy should also note that I welcomed the establishment by the Judiciary in November 2011 of an interim judicial council, pending the publication and enactment of the proposed Bill.

Deputy Niall Collins: I thank the Minister for his response. I wish to make a number of comments on the recent controversy involving the Minister and the Judiciary. First, I believe it was not entirely of the Minister's making. Obviously he was partly to blame, but there were two sides to it. The Judiciary must accept that the people of this country voted by way of a referendum to allow the Executive to have a say in setting the remuneration of judges. I am echoing what people on the street are saying. It is not acceptable for the Judiciary to occupy a separate position when it comes to the setting of remuneration. That is just not on and the referendum has put that question to bed.

On the issue of communication, it is obvious that something broke down along the way. The Minister said he was in regular contact with the Judiciary, but that was not the message coming from the Association of Judges of Ireland, AJI, in press statements and briefings. Has the Minister been at meetings of the new forum that has been established under the Chief Justice,

Ms Susan Denham? How often will the forum meet? Will meetings be held on a monthly or a quarterly basis? What issues have been raised to date and what routes to resolution will be taken? I ask the Minister to give us an overview of the issues being raised or flagged by the judges.

Deputy Alan Shatter: The controversy that arose and lasted for some days came as something of a surprise to me and it was as a result of a misunderstanding on the part of the AJI. There had been ongoing contact on the issues they raised that fall within my brief. For example, there was a suggestion that there had been no communication or contact with them regarding the provisions in the Personal Insolvency Act relating to the appointment of specialist judges, but that was far from the case. It was an issue on which, together with the Attorney General and in advance of the inclusion of the proposals in the legislation, I engaged in discussions with the Chief Justice and the President of the Circuit Court. The suggestion that there had been no discussion on the matter came as a complete surprise to me. In the context of other issues, which I do not want to go into at any length, clearly there were some concerns surrounding the pay and pensions of members of the Judiciary. The people made a decision in a referendum on the issue relating to pay, and that is a matter to be dealt with by my colleague, the Minister for Public Expenditure and Reform, Deputy Howlin. There are lines of communication and, as the Deputy may be aware, it has been traditional over the years for both formal and informal lines to be maintained through the Attorney General, which is appropriate. I have had meetings in my Department and discussed issues of concern to the different levels within the court structure. I have had meetings with members of the District Court, for example, together with the Attorney General, as well as members of the Circuit Court and representatives of the High and Supreme Courts.

I deliberately mentioned other events, such as seminars, that take place because frequently when I meet members of the Judiciary at these events, issues of relevance to the running of the Courts Service are discussed. On 2 March we held in the Law Society a conference hosted by my Department to discuss the forthcoming referendum on the court of appeal. Not only did the Chief Justice address that meeting, but members of the High Court Judiciary involved in a sub-committee to consider how to deal with the architecture of the court of appeal were present and I took the opportunity to engage with them.

There is continuing and ongoing engagement and it is unfortunate that there is a perception of some controversy in which I want to engage. I do not wish to be engaged in a controversy with the Judiciary and I fully respect the separation of powers. It is of major importance for us to have an independent Judiciary and that there is no question of members of the Executive or Members of Parliament interfering with the hearing of court proceedings or the decisions made and delivered by judges. It is key to our constitutional democracy and a tenet of our Constitution.

Deputy Niall Collins: Each body must respect the constitutional independence of the other and get on accordingly but the Minister did not answer my question on the new forum. How often is it intended to meet and what issues have been flagged as being on the agenda?

Deputy Alan Shatter: This forum is being put together to formalise the arrangement whereby the Attorney General, in the past, would substantially communicate with the Chief Justice. Now the group will be representative of the different levels within the court system and it will facilitate members of the Judiciary raising issues of concern. The Attorney General will either address those issues or report to the Government on the issues that need to be addressed. It is important that such discussion takes place and it is not in the public interest for every issue

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raised by the Judiciary to be publicly broadcast. It is entitled to some degree of confidentiality in the communications that take place.

One of the issues that would have arisen is the architecture of the new court of appeal, which is very important. I welcome the fact that this week the Attorney General furnished a submission to me from the judicial sub-committee considering the issue of the court of appeal and the constitutional architecture that should surround it. I very much welcome that very positive and constructive contribution by members of the Judiciary in the development of a very new important court within our judicial architecture.

Garda Industrial Relations Issues

5. **Deputy Pádraig Mac Lochlainn** asked the Minister for Justice and Equality if he has held any recent meetings with the Garda Representative Association and the Association of Garda Sergeants and Inspectors to address the wide range of concerns the representative organisations have repeatedly publicly aired. [20925/13]

Deputy Alan Shatter: In early autumn I invited the Garda Representative Association, GRA, and the Association of Garda Sergeants and Inspectors, AGSI, to discuss issues of mutual interest. I met with AGSI representatives on 19 October for nearly two hours in a constructive and businesslike meeting. I also spoke at its recent conference. However, the GRA never responded to my meeting request. I am always available to meet with representatives of either the AGSI, the GRA or the other Garda representative associations to discuss with them issues of concern to them and to their members. In addition to this, there are ongoing discussions between the Commissioner and his senior management and all the Garda associations on day to day matters as they arise in the Garda Síochána.

There has also been the recent negotiations on an extension to the Croke Park agreement. The aim was and remains to achieve the necessary savings in the public sector pay and pensions bill while at the same time ensuring a fair contribution from all. I regret that the GRA and the AGSI did not take the opportunity to take part in those discussions and to seek to have their concerns taken on board to the greatest extent possible. As has been made clear on many occasions by the Government in recent weeks, a rejection of these proposals does not change the fact that to conform to our budgetary targets and continue on our path to economic recovery, we need to make savings this year of €300 million. The Government has asked the chairman of the Labour Relations Commission to contact the parties to establish if there is a basis for moving forward, and I hope that there will be positive engagement by the GRA and the AGSI in this process. The reality is that a reduction in the public service pay and pension bill – because of its sheer size - must form part of the solution to our financial and economic difficulties.

I am fully conscious that any adjustment to pay and conditions can cause difficulties for members of the Garda Síochána, just as it can for other members of the public service. At an individual level there have been pay reductions, and for the force in general there are constraints on its budget. I fully understand how difficult this is at an individual and operational level and I earnestly wish that things were different and that we had inherited a situation where the public finances were in a healthy state. This, however, as everyone knows, is not the case and Government must take whatever measures are necessary to restore our fiscal sovereignty. I also recognise the important role that members of An Garda Síochána play in our society. It is especially praiseworthy that they have shown this dedication and commitment in these most

difficult times.

Deputy Pádraig Mac Lochlainn: As the Minister knows, the GRA annual conference is taking place this week and I had the opportunity, like so many others, to listen to the reports from Ms Valerie Cox for the Pat Kenny programme when she spoke directly to gardaí about the issues affecting them. Morale is at its lowest level and, sadly, the relationship has broken down between the Minister and the association, meaning he is the first Minister in 35 years not invited to attend the conference. Nobody wins in that case, which is deeply regrettable.

How can the Minister stand here today and speak about not engaging? Gardaí cannot form a union and right now the AGSI is taking a case to Europe to allow gardaí to form a union and negotiate pay and conditions. It has also proposed an independent commission to examine matters like pay, which has been supported by the Garda Commissioner. What will the Minister do to try to resolve this crisis? It is definitely a crisis when the relationship between the Minister of the day and front-line gardaí or, specifically, the organisation representing 10,500 gardaí, has broken down. We need to sort out the issue as nobody wins in the current scenario.

Deputy Alan Shatter: It is unfortunate that the GRA approaches a number of issues in the manner in which it does. It is unfortunate that it uses, with some regularity, inflammatory language. I recognise that there are members of the Garda force - as there are others throughout the community - who are suffering some personal financial difficulty. Not all the difficulty being suffered is directly connected to the pay and conditions of members of the Garda force. It may be a consequence of other issues and in some instances it is down to property investments that have, unfortunately, not worked out because of the property bubble bursting. The difficulties being experienced by some members of the force are replicated by others in the public sector and many in the private sector.

With regard to the GRA conference, I made a decision in circumstances in which I was not invited to the conference that I would not engage in a megaphone discussion from one part of the country to the other, from Dublin to Mayo, in responding to issues. I have said in the past and I repeat today that my door is open to meet members of the GRA, as it is to meet members of AGSI and other Garda bodies, to discuss issues of concern. Operational decisions on day-to-day matters are made by the Garda Commissioner and An Garda Síochána are a disciplined force. The members of the force, including members of the GRA, should show respect for the Commissioner, who provides leadership. It was unfortunate and inappropriate that when he concluded his address to the conference, he was greeted with silence.

The GRA should consider the manner in which it approaches issues. I am concerned about some of what was said in circumstances where the Garda is being extraordinarily successful and deserves all our praise for its success in bringing those engaged in criminality to justice in circumstances where crime figures are substantially down, with burglary down in the last quarter of 2012, compared to 2011, by 11%. It is time the Garda representative bodies gave public acknowledgment to the successes achieved by members of the force, for which each and every member of the force deserves praise, and moderated their language and engaged constructively on matters of genuine concern.

Deputy Pádraig Mac Lochlainn: To be fair about this, the relationship between the GRA and the Minister of the day has been antagonistic for a number of years. The Minister for Justice, Equality and Law Reform in the last Government had a big row with the GRA as it was about to deliver a condemnatory address. This happened before the Minister's time in office but

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it serves no one's interest that it continues. I appeal to both the Minister and the GRA that these issues must be resolved. We cannot continue to have megaphone diplomacy. It is great for headlines, it will get the media interested, but it is terrible for the morale of gardaí on the ground. When I met gardaí on the beat they tell me, like they tell every Deputy, they do not have the personnel or the vehicles and that they are not happy about the closure of Garda stations. These gardaí, who are on the front line, are raising legitimate issues. The Minister might not be able to solve all of their problems but we must deal with this relationship breakdown that started with the previous Government and has continued into this Administration.

Deputy Alan Shatter: I agree with the Deputy that there should be a more constructive relationship between the Garda representative bodies and the Minister of the day. We have a history of this. I can recall when the Garda reserve was being established and the GRA fell out with the then Minister. There are now 1,100 members of the reserve and they are providing an important back-up to the full-time members of the force. There will be another graduation ceremony later this month for members of the Garda reserve in Templemore.

I wish members of the GRA, in the interests of all members of the force, would adopt a more constructive approach to issues and moderate the language they use. It is of vital importance for the continuing reputation of the force that it shows the Commissioner of the Garda Síochána, a man of outstanding ability, the full respect he deserves. Its present stance on this matter is inappropriate. I am willing to take any criticism people want to make but it is inappropriate for the Garda representative bodies to address issues in language that shows a complete lack of respect on occasions for the Commissioner. It is for the public to judge how they deal with issues related to me.

I should respond to one point, the call for an independent review of pay and conditions in the Garda Síochána. The AGSI also raised this and I addressed it at the AGSI conference, although my remarks got little notice. I said that a review of pay and conditions, taking into account any related Garda organisational or structural issues, is a matter that could be considered as one of a range of possible medium-term measures in discussions on achieving savings from the public service pay bill. However, consideration of any such proposal could not take away from or act in any way to postpone the absolute need to achieve the immediate savings required this year. I am giving favourable consideration to the proposal. It must deal with a broad range of issues, including pay and allowances, and it is important. I recognise the value in modernising the structures that exist to take account of present day realities. This is not an issue that can be dealt with in the context of postponing addressing the immediate pay issue.

Other Questions

Visa Agreements

6. **Deputy Seán Ó Fearghail** asked the Minister for Justice and Equality the steps he has taken to address visa issues with visitors to the Schengen agreement area who subsequently want to travel here; and if he will make a statement on the matter. [20768/13]

Deputy Alan Shatter: Ireland has not applied to participate in the Schengen arrangements to the extent that they deal with the abolition of border checks. This decision has been taken

to maintain the common travel area with the United Kingdom which remains a priority for Ireland. The reality is that the common travel area could not continue to operate if Ireland were to remove border checks with Schengen states generally while the United Kingdom did not do so. To do so would result in a situation where the land border with Northern Ireland would become the border between the Schengen area and the United Kingdom. In such circumstances, land border controls would appear inevitable and this is obviously something that no Irish Government would seriously contemplate. The reality is that we cannot operate a common travel area with Britain and be part of the Schengen visa free zone at the same time.

The Government's focus instead is on doing what it can to maximise the potential of the common travel area as evidenced by the visa waiver programme for holders of certain categories of British visa, which this Government introduced in July 2011, and by ongoing talks with our British colleagues on the possibility of reciprocal CTA visa arrangements.

It must be first pointed out that the great majority of visitors to Ireland, over 98%, come from countries whose citizens are not visa-required, for example, Britain, the US and EU member states. Therefore, reforms of the visa regime can have only a limited effect on tourism and other visits. That being said, I have taken a number of steps to reform the visa system to facilitate business and tourist visitors from visa-required countries. The short-stay Irish visa waiver programme, launched by this Government on 1 July 2011, allows persons from 17 designated countries to travel to Ireland on the basis of a British visa. This programme has proved very effective in attracting increased numbers of visitors from emerging tourist markets.

The Government has also taken other steps to make the visa process easier including making greater use of multi-entry visas for regular tourist and business visitors from targeted markets, including China, the UAE and Russia. The Department has established six overseas offices in strategic hub locations to provide a better and more convenient service to visa applicants from the busiest locations. It is also in discussion with the Department of Foreign Affairs and Trade on steps to make the issuing of visas through Irish missions overseas, under delegated sanction from my Department, more efficient.

Deputy Niall Collins: The Minister has outlined some of the schemes in operation. For the Olympic Games in London last year the visa waiver programme was in place but that was possibly a disappointment because there did not seem to be a huge take-up of it. The Minister mentioned the Irish short stay visa waiver programme and there is also the start-up entrepreneur programme. I want to ascertain if there has been any positive impact. Has the Department carried out any assessment of the economic benefits accruing to the State? Can the Minister give us an indication of the numbers? Can he envisage if the countries covered can be extended?

Deputy Alan Shatter: The various schemes are continuously under review. Some of them have only started within the last 12 to 18 months so there is a need to let them bed down in particular countries so knowledge of the schemes spreads.

A statistic was published recently showing an increase in visitor numbers to the country of around 7% in the first quarter of 2013. I do not have a breakdown of the countries of origin for those visitors, which is a relevant factor. There is substantial interest in the emigrant investor and start-up entrepreneur schemes that I hope over a period of time will not only increase investment in this country but create substantial numbers of jobs. Many of the schemes started in the last 18 months and I am advised that the new visa system for the 17 countries that was mentioned, whereby a British visa will allow for entry to this country, is producing additional tourist

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numbers. We are constantly monitoring the different schemes. In the context of the scheme for the 17 countries mentioned, we have added some countries to it. It is my recollection that it started off with 15 and we are looking at what other countries might be appropriately added.

Deputy Niall Collins: Has the Minister a figure for the economic impact or can he undertake to furnish that?

Deputy Pádraig Mac Lochlainn: The Minister may be aware of the case that has been reported in the media over the past week of two Chinese parents, Meijiao Yu and Xiao Shao, who are looking to have their daughter, aged almost four years, returned to be with them. They came here as students on student visas and now they are here with a business. They are exactly the kind of persons who we want to build their future here in Ireland. I hope the Minister can help resolve that issue.

An Leas-Cheann Comhairle: The Minister might reply to the two questions.

Deputy Alan Shatter: The visa system is operated at official level and the Minister cannot deal with every visa application. I only learnt of that matter on Friday. The two young persons concerned are in employment in the State. They are lawfully here in the State. Upon learning of the matter, I directed that a visa should issue for their young child. I understand that the child, when a baby, went back to China to be cared for by the grandparents and the parents now wish to have their child returned to their care in Ireland. I am happy to say that I gave instructions that a visa should issue, they have been so informed, the legal practitioner representing them has been so informed, and I hope that happily resolves the difficulty that arose in respect of that family.

In response to Deputy Niall Collins, I do not have an exact economic analysis of the impact of the visa scheme. One of the issues is the extent to which it is contributing to the numbers of tourists coming to the State. I do not know individually how much each person is spending when he or she is here, and it would be impossible to conduct an economic analysis of that. On the other side of it, we are aware, for example, in the context of the visa investment programme, that investments in excess of €10 million have been achieved. I understand that within the processing system - there is an independent committee with representatives, among others, of the Department of Justice and Equality, the Department of Jobs, Enterprise and Innovation and the Department of Finance who vet applications and business propositions - there are a number of interesting propositions under consideration. I am hopeful that in 2013 we will see a considerable upsurge in the financial values of the investments that result from this scheme.

Deputy Niall Collins: Can I ask a supplementary?

An Leas-Cheann Comhairle: I am sorry, but we are out of time. There are many Deputies who want to contribute.

Garda Síochána Ombudsman Commission

7. **Deputy Clare Daly** asked the Minister for Justice and Equality his views on the operation of the Garda Ombudsman; and if he has any plans to improve accountability of An Garda Síochána. [20714/13]

Deputy Alan Shatter: The Garda Síochána Ombudsman Commission was established un-

der the Garda Síochána Act 2005 to provide independent oversight of complaints made against members of the Garda Síochána. It has approximately 90 staff, as well as the three commissioners, and a budget this year of just over €8 million.

The ombudsman commission directly investigates complaints involving allegations of criminality, and its investigative staff have full police powers to do this. It may also refer other complaints to the Garda Commissioner for investigation under the Garda disciplinary code, and it may maintain oversight of progress in those investigations.

It must also investigate any matter that appears to indicate that the conduct of a Garda member may have resulted in the death of, or serious harm to, a person. This is an automatic and mandatory requirement, no matter how innocent that conduct - for example, a straightforward car accident - appears to have been.

The ombudsman commission may also, even where it does not receive a complaint and where it appears to it to be desirable in the public interest to do so, investigate any matter that appears to indicate that a Garda member may have committed an offence or behaved in a manner that would justify disciplinary hearings. As Minister, I may also refer such a matter to the ombudsman commission for investigation.

There is also provision for the commission to investigate a practice, policy or procedure of the Garda Síochána with a view to reducing the incidence of related complaints. The commission has, therefore, a hugely important role in ensuring public confidence in the Garda Síochána is safeguarded, and has extensive powers to enable it to achieve that.

I will shortly be laying before the House the annual report of the ombudsman commission for 2012. That will provide an opportunity for further detailed discussion on its work. While I cannot go into detail on the content of the report prior to laying it before the House, I can say that it deals with, among other matters, issues relating to delays in the finalisation of investigations. I can also say that I recently met two members of the ombudsman commission and they expressed concern to me about such delays.

I regard full co-operation by the Garda Síochána with the ombudsman commission as an extremely important issue. There are agreed protocols in place provided for under the Garda Síochána Act 2005, which set down time limits for the provision of information by the Garda Síochána to the ombudsman commission, and I regard it as a matter of substantial importance that these protocols should be respected. I have asked my officials to pursue these issues with the Ombudsman Commission and the Garda Síochána, and I will look to see progress at an early date.

Deputy Clare Daly: There are many issues to be monitored. The operation of the ombudsman commission has been an absolute and utter failure and it has not in any way given accountability and oversight of the Garda. This is evident from the fact that the level of prosecutions arising out of the complaints since its inception has been less than 0.5%.

I am familiar with a case where the protocols in place are being breached by the gardaí who are under investigation and the ombudsman's office has told me that this is normal, for example, where items such as requests for a duty roster for the station for that day have been outstanding for 48 days and require multiple requests from the ombudsman in order to get an answer, presumably leading to extra cost and delays. These are cases that go on for months.

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It is clear from many matters that have been in the public domain, not least the penalty points investigation, that the idea of gardaí investigating themselves is a nonsense. We believe that the Minister received that report. We do not know where it is, but what is entered in the media is enough to let us know that it begins with, "Once upon a time," and ends up with, "happily ever after". However, we would like to see it. We would like to see the Minister engaging in real, independent scrutiny of the Garda because public confidence is at an all-time low.

Deputy Alan Shatter: As Deputy Clare Daly will be aware, the ombudsman commission itself conducts investigations. The protocols, to which the Deputy refers and which I regard as of considerable importance, should be fully and properly adhered to by members of An Garda Síochána to facilitate the ombudsman commission in undertaking its statutory work. If there are time failures to meet requests for information or for individuals to be made available for interview by the ombudsman commission, they should only occur in exceptional circumstances, for example, where an individual may be unwell for some reason, out of work and taking leave from the force for a short period of time.

I regard these protocols as crucial to the proper functioning of the ombudsman commission. As a consequence of concerns expressed by the ombudsman commission concerning such delays that were detailed in the 2012 report, into which I cannot go in detail until it is laid before the House but which I expect will be laid before the House next week after it has been taken to Cabinet, I met the commission and my concerns in this area have been communicated by my Secretary General to the Commissioner of An Garda Síochána.

In fairness to the work done by the ombudsman commission, if the Deputy even considers the 2011 report, it received 2,275 complaints, containing 6,230 allegations of misconduct by gardaí. Some 1,424 of these allegations were found to be inadmissible. Some 18 files were submitted to the Director of Public Prosecutions during 2011 relating to 19 Garda members. The DPP directed prosecutions relating to seven Garda members and two persons who were not gardaí. Of the 19 prosecutions which were heard before the courts in 2011, 11 gardaí were acquitted and five gardaí were convicted - three for assault, one for perverting the course of justice and one for careless driving which was overturned on appeal. One probationer garda had the Probation of Offenders Act 1907 applied. A civilian was convicted of assault and a further civilian was acquitted.

It is unfair to the ombudsman commission to state that it does not conduct independent investigations; it does. It is also unfair to state that there are not consequences of its investigations; there are. It is important - I want to be absolutely categorical and agree with the Deputy - that protocols should be complied with and where there are investigations being conducted by the ombudsman commission or on behalf of the ombudsman commission, they should be progressed with reasonable speed and always with full co-operation from members of the force.

Deputy Clare Daly: I am glad the Minister has said the protocol should be adhered to because the reality is that it is not. When we get the report, will the House have an opportunity to discuss it? There are indications that the blue wall of silence is still alive and well. A body that has been set up, involving many gardaí, is not the best body to have independent oversight. The question was not just about how the Garda Síochána Ombudsman Commission operates, but whether the Minister had plans to go beyond that and introduce an improved system of independent oversight.

Deputy Mick Wallace: In the past six months we have received many complaints from

members of the public expressing dissatisfaction at the manner in which the Garda Síochána Ombudsman Commission responded to their complaints. The general feeling among many people is that the Garda Síochána Ombudsman Commission actually protects Garda malpractice rather than holding gardaí to account much of the time. As the previous Deputy said, the impartiality element must be raised given that, as I understand, there are serving gardaí in the Garda Síochána Ombudsman Commission. I notice the Minister shaking his head.

On the previous occasion, I highlighted that some of the serious complaints are being sent back to the Garda for investigation, in some cases the Garda Síochána Ombudsman Commission supervises the Garda investigation and some cases it does not. I asked the Minister the number of cases that resulted in disciplinary processes against individual members by An Garda Síochána. He told me he did not have the information to hand but would get it to me. That was two months ago.

Deputy Alan Shatter: There are not serving members of the Garda operating within the Garda Síochána Ombudsman Commission's office because the ombudsman commission is a separate and independent entity with separate and independent investigators.

The Deputy is correct in one matter. It is open to the Garda Síochána Ombudsman Commission when certain complaints are made and they are deemed to be of a not very serious nature - albeit any complaint is serious for the person who makes it - to effectively ask the Garda Síochána to have it investigated by a member of the force unconnected with the member against whom the complaint is made. That is the architecture of the legislation. Some people voice concerns about that.

The reality is that if the ombudsman commission, through its own staff, was to conduct every investigation, its personnel resources would probably need to be tripled. When the Garda Síochána Ombudsman Commission asks that a complaint be directed back to the Garda Síochána for its investigation under the supervision of the ombudsman commission and that a report be made to the ombudsman commission on outcome, it is important that those investigations are conducted and concluded within a reasonable timeframe. I have a concern that on occasions the timeframe is far too long.

I assure the Deputy that the report on the Garda Síochána Ombudsman Commission for 2012, which I only received in recent days and resulted in me instantly wanting to meet members of the ombudsman commission, will be taken to Cabinet by me. I believe it will be taken to Cabinet on Tuesday - I do not want to mislead the House and it is possible it will not be on the agenda until the following Tuesday. Immediately thereafter it will be laid before both Houses and if Members want a debate on the report, we can have one. More traditionally if there is a debate, it takes place in the Oireachtas Joint Committee on Justice, Defence and Equality, but of course all Members can attend that sort of debate.

I have received the report on the penalty points issue. When it is published, I do not believe the Deputy will find it is a fantasy fairytale. There are issues relating to the Data Protection Act that are being addressed by the Attorney General. I am anxious that it be published and that we have the maximum transparency. However, I must comply with issues that arise under the Data Protection Act. They are being addressed between my Department and the Office of the Attorney General. I had hoped to have been in a position to publish the report by now - I must take it to Cabinet first. As soon as those issues have been addressed and resolved, I assure the Deputies the report will be published.

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Garda Investigations

8. **Deputy Caoimhghín Ó Caoláin** asked the Minister for Justice and Equality if he will instigate a public inquiry into the death of Father Niall Molloy. [20854/13]

Deputy Alan Shatter: I am advised by the Garda authorities that the examination surrounding the circumstances of the death of Fr. Niall Molloy is almost complete and that a report of this examination is expected to be submitted to the Garda Commissioner some time this month. Upon receipt of a report from the Commissioner, I will review the situation.

I understand that the officers carrying out the examination are continuing to keep the family members of the deceased updated on progress. While I fully appreciate the concerns of the family, in any case where criminal behaviour is suspected, it is only through a Garda investigation and where evidence of criminal wrongdoing is available through the submission of a file by the Garda to the Director of Public Prosecutions that persons can be brought fully to account.

Therefore, I hope the Deputy will agree that, in the first instance, we need to allow the present Garda examination to proceed to its conclusion, which, I reiterate, I understand is almost complete. I understand it will result in a report being furnished to the Garda Commissioner this month, and I then expect the Garda Commissioner to report to me.

Deputy Pádraig Mac Lochlainn: We will await the outcome of that report. The Minister will be very familiar with this case going back to the time when he was an Opposition spokesperson on justice. I have had a chance to review what is known about the case, most of which is in the public domain. Potentially it is one of the biggest scandals in the history of the State in terms of the range of people associated with it, including people in medicine, the Judiciary, policing and politics.

This was a remarkable scandal where a priest, Fr. Niall Molloy, who by all accounts was beloved in the midlands community he served, had his life taken. His family deserve answers. More importantly, the people of the State deserve answers. I believe it was a remarkable abuse of power by a range of people to deny information to the people of the State, the people of the community who loved him and, more importantly, his family. We will await the outcome of the report. Sadly, it is police investigating police. Owing to the seriousness of potentially one of the biggest scandals in the history of the State, we need an independent inquiry to examine all the allegations in the public domain, which are of the most serious nature and have serious implications for administration of justice.

Deputy Alan Shatter: Like the Deputy, I am very familiar with the case. I am familiar with all the allegations made. I was familiar with it when I came into office. Shortly after assuming my position as Minister, I requested that these allegations be investigated. The Garda Síochána was the appropriate body to conduct the investigation should evidence emerge that would justify the taking of any criminal prosecution. It has taken a substantial amount of time for this investigation to be concluded. In 2011, I did not anticipate that it would take until May 2013 to conclude it. I understand it is on the verge of being concluded. I have been assured the Garda Commissioner will receive a report this month.

I hope the Deputy will understand if I, as Minister, do not in any way comment on what he has said about the matter because it is very important I do not prejudge the outcome of the investigation, that I say nothing that might prejudice any matters arising from it. At present, I

am not privy to the outcome of the investigation and do not know what conclusions have been reached. I am very conscious that the tragic death of Fr. Molloy took place very many years ago. Clearly, in investigating his death, there are certain evidential issues that may be a cause of difficulty, but I have no reason to make any presumption one way or another about that.

There is the issue of the investigation into his death. Then we come back to an issue with which we have engaged this afternoon. The matter was dealt with in the courts. The Judiciary is independent and, as Minister, I cannot, nor would it be appropriate for me, to comment on the manner in which the case was dealt with when it came to the courts. I await with great interest the outcome of the investigation. I hope we will be in a position to know this very shortly. As Minister, I must then consider what happens next.

Deputy Denis Naughten: I find it strange my Question No. 41, which deals with the same issue, was not grouped with this. The family was told on 11 March the report was with the Garda Commissioner. On Tuesday, the Minister told the House, through a reply to a question from Deputy Charles Flanagan, that it will be submitted some time this month, and the Minister has stated this again today. Who is wrong? Is it the Minister or the officer who is supposed to be briefing the family and explaining to them what is going on in this investigation?

Does the Minister not find it bizarre that the original Garda file was stolen, the coroner's file was destroyed, the State Laboratory's file is not available and now we find the review file is lost somewhere between Harcourt Street and the Phoenix Park? It is not acceptable to the family that this review is an ongoing issue when the Minister told me in the House almost 12 months ago that it was nearly completed at that stage. Will the Minister assure the House it will be with the Garda Commissioner by the end of this month and that he will, soon after this, receive a report on it and, on foot of this, take appropriate action?

Deputy Clare Daly: The drama is clearly continuing with this and there is now so much controversy and unanswered questions that nothing short of a public inquiry will suffice. The information I have is that the head of the cold case unit, the person in charge of the investigation, briefed the family and stated the report the Minister said was not completed was completed at the end of February and given to the Garda Commissioner at the start of March. This is a fact. With regard to the Minister's statement that the family is being consistently briefed by the Garda, the family state this is not the case and they have not been kept in the loop. This is a further vindication of my opinion that this tragic case and the cover-up around it requires a public inquiry.

Deputy Mick Wallace: An independent public inquiry will probably be required to achieve any transparency and accountability in this episode. When the Minister was in opposition, did he at any stage call for an independent inquiry on this matter?

Deputy Pádraig Mac Lochlainn: I am concerned that the confines of this re-examination and report will be limited to the immediate investigation. As the Minister knows, a range of issues flow from this case which are of the utmost concern. This case is truly shocking. I had a chance to review it in detail over the weekend and I am stunned at the extent of the scandal. The public will not be satisfied with police investigating police, looking only at the initial investigation and not at all the issues which have flowed from it in the decades since, which would be of massive public concern. The State must be held to account and there needs to be an independent public inquiry, not just of the initial death and investigation but of all the issues which have flowed from it in the decades since.

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Deputy Alan Shatter: I will begin by telling Deputy Naughten I am not interested in political points scoring. I am providing the information available to me from my officials. The information is that the Garda Commissioner will have the report during this month. I assume that, as I have requested, the Commissioner will report to me. It is an issue I have regularly made inquiries about since being appointed Minister. I cannot interfere in a Garda investigation and I will not do so. It is important that operational issues are dealt with independently by An Garda Síochána. I will not draw conclusions.

I am aware of all the allegations and I am aware of all the concerns. I have been for some time, which is why in 2011 I requested this matter be investigated. Deputy Daly has a habit of coming to the House and making all sorts of allegations. I will not respond. I can only say I have had this issue raised out of a genuine concern of what I know and what I have been told about the background to this matter. As I stated, I expect to receive the report. I will give very careful consideration to what is in it. I will then consider what action, if any, is appropriate arising out of the report. I do not know at this time whether the report might indicate some papers should be forwarded to the Director of Public Prosecutions. It may be that it will and it may be that it will not. I simply do not know the answer to this. If it does, this brings about certain consequences. I cannot be certain as to what will be said in the context of the report. I will deal with it when it comes to me. We will then see where we go from that point. It is an issue I treat with a great deal of seriousness and no one should be under any illusion about it.

I say to Deputies Daly and Wallace, I am not engaged in, nor party to, nor will be party to, any cover up. This seems to be something they love jumping to accusing people of with great regularity. My only interest and commitment is to do this job in the public interest, and this is where my focus is. I will do this job in the public interest for as long as necessary. I will cover up nothing of any description-----

Deputy Mick Wallace: I never said you would.

Deputy Alan Shatter: -----which could be contrary to the public interest. I have never believed in matters being covered up. I believe in transparency. I do believe where there is a suggestion of wrongful behaviour or a suggestion of criminality that these issues should be properly investigated. I will not prejudge allegations. It would be inappropriate of me to do so.

Written Answers follow Adjournment.

The Dáil adjourned at 5.55 p.m. until 10.30 a.m. on Friday, 3 May 2013.

