



DÍOSPÓIREACHTAÍ PARLAIMINTE  
PARLIAMENTARY DEBATES

**DÁIL ÉIREANN**

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

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# DÁIL ÉIREANN

*Dé Máirt, 11 Meitheamh 2013*

*Tuesday, 11 June 2013*

Chuaigh an Leas-Cheann Comhairle i gceannas ar 2 p.m.

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*Paidir.*  
**Prayer.**

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## Ceisteanna - Questions

### Priority Questions

#### Energy Regulation

52. **Deputy Michael Moynihan** asked the Minister for Communications, Energy and Natural Resources the measures he will take to enhance competition in the energy market; the actions he will take to protect Ireland from external energy price shocks; if he will examine the remit of the Commission for Energy Regulation; and if he will make a statement on the matter. [27899/13]

**Minister for Communications, Energy and Natural Resources (Deputy Pat Rabbitte):** The Government remains firmly committed to increasing competition as the best means of exerting downward pressure on prices in the electricity and gas markets in Ireland. Currently, there is competition in both the electricity and gas markets, with many players competing in both the wholesale and retail segments of the electricity market and in the retail segment of the gas market. Business and domestic consumers can choose from a range of suppliers in both electricity and gas, thereby availing of the benefits of competition.

Electricity and gas costs in Ireland are influenced by various drivers, with global gas and oil prices being the most significant factors. Among other factors over which we have little or no control are exchange rate movements, the cost of capital, EU legislative obligations and unfavourable international events, as well as our small size, geographical location, low population density and population dispersal. Given the reality of how much these factors affect prices, it is clear there is little scope for protecting Ireland from external energy price shocks.

The main opportunities to mitigate the impact of external price increases are in focusing on greater energy efficiency and diversity of fuels. Energy efficiency represents a significant opportunity for both businesses and households to reduce their energy costs and mitigates the impact of external price rises. Achieving the Government's target of generating 40% of our electricity from renewable sources by 2020 would provide greater diversity of fuel supply and would also help to offset the impact of volatile fossil fuel prices.

The remit of the Commission for Energy Regulation, CER, is set out in the Electricity Regulation Act 1999, as amended. More generally, with the deregulation of electricity and most gas retail prices, the primary focus of the regulator, as far as prices are concerned, is its joint oversight with the Northern Ireland regulator of the all-island single electricity market, its scrutiny of electricity and gas network costs, which feed into retail prices, and its general consumer advice and protection role. The statutory functions of the regulator require it to consider and decide on very complex issues.

*Additional information not given on the floor of the House*

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The CER's ability to strike an appropriate balance between competing demands is noteworthy. The CER is required, first, to promote efficient, orderly, fair and competitive markets, second, to facilitate investment, and third, to protect consumers' interests. Striking such a balance requires considerable knowledge, skills and expertise. While the roles of regulators are continually monitored, I have no specific plans to review the remit of the CER in the near future.

**Deputy Michael Moynihan:** I thank the Minister for his reply. We have seen reports in recent weeks about the increase in the number of households whose gas or electricity supplies were cut off during 2012, and that figure is still increasing. Is the Minister satisfied with the role the regulator is performing and the duties it is carrying out? Commodity oil and gas prices reduced by about 11% in the wholesale market in May, but that reduction was not passed on immediately. It is the old argument. If the price of oil goes up, the price increase is immediately passed on at the pumps or in the cost of home heating oil, but if it goes down, they tell us they have oil in storage and that it will take them a number of months to get to the cheaper oil. Is the Minister satisfied that the regulator is doing everything in its power to ensure the price of energy for homes or businesses is at the lowest possible level?

**Deputy Pat Rabbitte:** Unfortunately, since about mid-2009, the price of fossil fuels has continued to rise in the international marketplace. We are 100% dependent on oil imports and 95% dependent on gas imports. In that sense, we are price takers. To that extent, we import fossil fuels and are, therefore, vulnerable. The Deputy will acknowledge that for the first time in a very long time the most recent Bord Gáis Energy index shows that there has been a decrease this month, which is certainly welcome. However, I am advised that gas prices reached their highest ever level in March. That is the context.

I share the Deputy's concern about disconnections and use every opportunity to bring to the attention of consumers that under the protocol in place with the supply companies, where a consumer enters into a prepayment plan or installs a pay-as-you-go meter, the household cannot not be cut off. There has been a considerable rise in the number of installed meters, but it could be better. I appeal to people to take steps to install meters to avoid being disconnected.

**Deputy Michael Moynihan:** Are the Minister and the Department happy with the role of the Commission for Energy Regulation? Has the Department explored the possibility of extending the commission's remit in the light of the number of disconnections and ensuring the best possible price for householders and businesspeople? Is the Minister satisfied with the commission's remit and has he looked at ways of extending it?

**Deputy Pat Rabbitte:** The Commission for Energy Regulation does a good and conscientious job. I met it two weeks ago to discuss the issue raised by the Deputy. The commission and I are examining whether there are measures not known heretofore that can be brought to bear. As the Deputy is aware, the regulator is required to promote efficient, orderly, fair and competitive markets; to facilitate investment; and to protect consumers' interests. It is that third requirement on which the Deputy focuses. Striking a balance in that regard requires considerable knowledge, skill and expertise. That requirement of the regulator is continually monitored. I have no short-term plans in respect of reviewing the entire role of the Commission for Energy Regulation.

## Renewable Energy Generation Issues

53. **Deputy Michael Colreavy** asked the Minister for Communications, Energy and Natural Resources his Department's renewable energy target; if this is achievable; the strategy in place to reach this target; and if he will make a statement on the matter. [26995/13]

**Deputy Pat Rabbitte:** The 2009 renewable energy directive set Ireland a binding target where at least 16% of our energy requirements should come from renewable sources by 2020. The directive also requires all member states to achieve a minimum target of 10% renewable energy in the transport sector by 2020. In order to meet our overall 16% requirement, we aim to achieve 40% in the renewable electricity sector, 12% renewables in the heating sector and the required 10% in transport. Under the directive, Ireland was required to set out in a national renewable energy action plan, NREAP, the trajectory towards meeting its legally binding targets. The NREAP and the first progress report on the NREAP, which are available on my Department's website, show the sectoral and technology breakdown that we anticipate in the achievement of our target. By the end of 2011, we had reached 6.4% of overall energy consumption from renewable sources and the trajectory set out in the NREAP assumes that we will achieve the 16% target incrementally at approximately 1% per annum.

My Department's Strategy for Renewable Energy 2012 to 2020 sets out the key strategic goals for the various renewable energy sectors. Although these targets are challenging, I am confident that we can meet them and there are a number of policy measures in place which will help us achieve these goals. The renewable energy feed-in tariff, REFIT, schemes will see increasing amounts of renewable electricity connected to the grid and, through REFIT3 support for biomass combined heat and power technologies, will also help towards our renewable heat target. Measures such as the biofuel obligation scheme to increase the use of biofuels and the electric vehicle grant scheme to incentivise the purchase of new electric vehicles will assist in meeting the target for renewable transport.

**Deputy Michael Colreavy:** I thank the Minister for the reply. Currently, the country is 89% dependent on imported fossil fuel which is costing the nation something in the order of €6 billion annually. The Minister has referred previously to a strategy and an action plan. Perhaps my understanding of what is a strategy and an action plan differs to that of the Minister. What I see is a wish list with some target dates and statements of intentions but I do not see the concrete action plans to hit the targets to which the Minister refers. I do not see that in the action plan or in the strategy. That strategy needs to be developed into something which the Irish public can recognise as a clear direction of where the country will go in this sector between now and 2020 in order to hit the targets. The strategy also needs to make very clear the areas where increased public-private participation will be encouraged and it needs to make abundantly clear how it is planned to handle the changes and the impacts on the places where people live. These developments will have an impact on places where people live. More specific details are required.

**An Leas-Cheann Comhairle:** I will call the Deputy for a supplementary question.

**Deputy Pat Rabbitte:** I think the Deputy is being unfair and contradictory. He cannot say that he sees no evidence of the plan while at the same time his party frequently complains to me about new planning applications for wind farms in different parts of the country. I do not think the Deputy can have it both ways. The 40% target for renewables is important in that it increases diversity and it uses an available indigenous resource. As the Deputy rightly points out it reduces dependence on imported fuels and lowers that import bill of €6 billion. All the advice available to me forecasts that the 40% target will be met. The Deputy can pursue my colleague, the Minister for Transport, Tourism and Sport, on the transport aspect of the matter. While it is difficult, the plan we have set ourselves relates in a European context to the situation post-2020 and what will happen after the 2020 targets. We will continue to make the 2020 targets which have been agreed our targets.

**Deputy Michael Colreavy:** I anticipate that given the absence of a coherent strategy for involving host communities in the national effort, the Minister will continue to receive questions on developments from my party. Any strategy must clearly outline how host communities will be impacted upon and how their interests will be protected as part of the process. Until that strategy is in place, the Minister will continue to receive representations.

In the context of local area renewable energy projects, a number of people have contacted me on the contribution anaerobic digestion might make to the national grid. They have been told that it costs €500,000 to connect to the national grid. In essence, that is to say, "Go away. We do not want you." I ask the Minister to use his good offices to ensure there will be a realistic cost associated with connecting to the national grid. Small area power units have a fair contribution to make to the overall strategy which needs to be in place.

**Deputy Pat Rabbitte:** I agree with the Deputy and I am sure that he will agree with me that in the rush towards renewables one must have regard to economics. The refit subsidies are not without cost. In particular, refit 3 which relates to combined heat and power systems, biomass and so on is expensive, about which there is no doubt. I hope to publish a strategy on bioenergy by the end of the year, if not sooner, depending on other considerations in play. I would welcome the input of the Deputy and other Members in that regard.

## **Energy Schemes Issues**

54. **Deputy Catherine Murphy** asked the Minister for Communications, Energy and Natural Resources if he will provide an update on the expected delivery of a functioning pay-as-you-save scheme to allow for home energy retrofit; when the first applications may be made under this scheme; the reason for the delays in establishing this scheme; and if he will make a statement on the matter. [27093/13]

**(Deputy Pat Rabbitte):** The national energy efficiency action plan and the programme for Government in-

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clude a commitment to roll out a better energy financing - formerly known as pay-as-you-save - energy retrofit scheme for domestic buildings. The better energy financing, BEF, model proposes that the current suite of Exchequer funded grants for energy efficiency measures will be replaced by a new financing scheme open to households and commercial operators. I stress, however, that it is my intention, in the context of the introduction of a BEF scheme, that the existing grants scheme aimed at those on low incomes will remain in existence.

The key benefit to homeowners of the BEF mechanism is that the scheme will allow them to secure up-front financing for energy efficiency upgrades to their homes and, in the process, remove one of the key barriers to energy efficiency. The principle underpinning the model is that up-front funding will be repaid via savings on customers' energy bills arising from energy efficiency measures. While that is the principle, it will be a challenge to ensure sufficient savings are realised within a short period to cover the costs involved. This is a particular focus of the project board referred to. The consumer will also benefit through the creation of a robust quality assurance process which will protect consumers and ensure high quality workmanship. My Department, with the assistance of the Sustainable Energy Authority of Ireland, has put in place a project team to design the new retrofit financing scheme under the direction of a project board representing key State and industry stakeholders. The board has available to it expert advice in a range of relevant technical, legislative and financial areas to ensure the delivery of a BEF model designed to suit the Irish context. The board has been engaging widely with stakeholders as part of the development of the scheme and meets on a monthly basis.

It is planned that the design of the scheme will be fully developed over the coming months and that a public consultation process will be undertaken in quarter three of this year. My intention is that a memorandum for Government on the detailed design of the BEF programme will be brought forward in September 2013. Assuming I get approval, it will take a number of months to introduce the necessary technical, administrative and financial pillars to underpin the scheme. While primary legislation will also be required, a scheme will be in place in 2014, in accordance with the Government's commitment set out in the programme for Government.

*Additional information not given on the floor of the House*

In the interim, the Government has committed over €44.5 million in Exchequer capital funding for the better energy programme in 2013, which will mainly involve grant based expenditure across better energy homes, better energy warmer homes and better energy communities. I have also recently obtained Government approval to continue the better energy homes scheme into 2014 until such time as the better energy financing programme is ready to commence.

**Deputy Catherine Murphy:** I thank the Minister. We all know the price of heating people's homes is increasing. The very long winter we have had has put additional pressure on people and this links into the question asked earlier about the number of disconnections. However, that may not be the initial target group for this scheme. There is much to be done before the scheme is developed and in place. Does the Minister anticipate it will be in place at the beginning of 2014 so that people can, for example, plan to do the work and have realistic expectations that it can be carried out in the early part of next year?

The Minister talked about the consultation process. What is the timeline for it being put out to public consultation? How long will it take and how will it be evaluated?

**Deputy Pat Rabbitte:** It will be out in quarter three for a reasonable period. I do not know the figure the Deputy would put on it and I am quite agreeable to agreeing something with her on it. The scheme was promised for 2014 and it will make 2014. I must have regard to the existing scheme. There is, for example, a six-month timeline and I would have to cut off that scheme now if I was to commit to 1 January. That is the time it takes to work through the process. I do not want to do that and I would like to continue the scheme for a number of reasons because there is a cadre of installers and retrofit contractors in place, with some 4,500 people employed, which I want to maintain.

It is uncannily like what happened in Britain. After the first flush of applications, presumably from households minded to be energy efficient, the numbers have fallen off dramatically. Deputy Catherine Murphy is hinting that, if only the scheme was up and running on 1 January, there would be a flood of applicants. I hope she is right because when looking at the energy picture, one of the few tangible things we can do, given that we import our fossil fuels, as Deputy Colreavy said, is to drive the energy efficiency programme, get consumption down and get people to change their patterns of behaviour and save money in terms of import costs associated with fossil fuels. I hope the Deputy is correct but the experience here, in Britain and elsewhere in Europe is that, principally because of the

recession, in the case of something that requires householders to put their hands in their pockets to put up a share of the payment for deep retrofit or less than that, they are thinking twice about it just as they are thinking twice about whether to change the car or invest in a new washing machine.

**Deputy Catherine Murphy:** There is much the Minister and I would agree on with regard to the switchover to energy efficiency and refurbishing people's homes so they can save energy. However, people are not foolish. They will take up the option if they see they can get a reasonable return on it. The last time I asked the Minister this question, he spoke about evangelising and recruiting people to this scheme. However, there must be a scheme to which people can be recruited. That is why I believe there should be some enthusiasm about setting out as quickly as possible the shape the scheme will take, so that people can put it into their plans for saving money over the longer term.

**Deputy Pat Rabbitte:** I have been trying to do the St. John the Baptist role that Deputy Catherine Murphy sees for me. We have a scheme. It is a grant-based incentive scheme and we are trying to sell it. Sometimes Deputy Murphy deliberately portrays a pessimistic face to the world about the dreadful things that are wrong, but if she wishes to join forces in going out to sell this to the householders of Leixlip, I assure her the grants will be approved in a very short time so they can get on with it.

The new scheme is a quite complex construction. I hope it will be attractive to the householder because of the principles behind it, but it requires people to be persuaded that they can make significant savings on their energy bills if they engage in retrofitting a housing stock which, quite honestly, leaves a great deal to be desired in this regard.

## **Broadcasting Sector Regulation**

55. **Deputy Michael Moynihan** asked the Minister for Communications, Energy and Natural Resources the actions he has planned to ensure that RTÉ has a sustainable future; the reforms he intends to bring to the current licence fee system; and if he will make a statement on the matter. [27900/13]

**Deputy Pat Rabbitte:** RTE is an independent national public service broadcaster whose remit and obligations are set out in section 114 of the Broadcasting Act 2009. RTE has a direct obligation under section 105 of the Broadcasting Act 2009 to ensure that its revenue is, at the earliest possible date, at least sufficient to meet all sums properly chargeable to its current account and to make suitable provisions with respect to capital expenditure. I am satisfied that RTE management is fully cognisant of this obligation and is taking all the necessary steps to ensure that the company continues to be in compliance with the terms of the provision.

I have had cause to meet with senior management in RTE on several occasions during the last 18 months and I have made it clear that a continuing deficit position in the corporation is unacceptable. RTE is in agreement with this and has assured me that as a result of the restructuring programmes the organisation has undertaken and continues to undertake, a break-even position is targeted for the end of this year.

One of RTE's key challenges is managing its commercial revenue, which is declining as a result of increased levels of competition in a challenging and fragmented economic environment. RTE's commercial income totalled €156.3 million in 2012, compared to €167.3 million in 2011. This represents a decrease of 7%. The organisation's commercial income has fallen by 35% since 2008. In the first quarter of 2013, I understand that RTE's advertising revenues were weaker than expected for this year.

With regard to reform of the current licence fee system, the Deputy will be aware that the programme for Government commits to examining the role and collection of the TV licence fee in light of existing and projected technologies and to transforming the TV licence into a household-based public broadcasting charge to be applied to all eligible households and applicable businesses, regardless of the device used to access content or services. I recently received the completed report of the value-for-money review group on the proposal to introduce such a charge. The independently chaired review group, which was established under the auspices of my Department, examined a range of issues relating to the proposal, including the efficiency and effectiveness of the current licensing system. I am currently considering the contents of that report. I expect to be in a position, subject to Government approval, to initiate work in the autumn on the legislative and other work necessary to implement the household-based public broadcasting charge.

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**Deputy Michael Moynihan:** On the last point, the Minister stated that he had received the report and was considering it, and indicated that the work would commence in the autumn. Is he talking about the early autumn or about having something in place by the end of the year?

With regard to RTE's revenue, we recently received and examined the value-for-money report. The State broadcaster has an important role, and it is important that the public have faith and confidence in it. The Minister stated that commercial revenue is weak again this year because of the operating environment. I presume RTE has lowered the cost of advertising in accordance with demand. Independent broadcasters who talk to us at committee meetings or privately refer to the cost of producing current affairs programmes, documentaries and other programmes. The cost of production is cut to a minimum, whereas RTE seems to have many backup staff and considerable technical advice for all programmes.

Media outside RTE have always commented on the cost of stars to the State broadcaster. This issue has been debated in the broadcasting and print media for a long time. A fundamental issue arises in regard to RTE, as its production costs seem to be at variance with those in the private sector and with what is considered best value throughout the country.

**Deputy Pat Rabbitte:** The record will show that RTE has led the way among the State corporations in grappling with the implications of the economic downturn and attempting to provide feasible solutions. One should bear in mind the reduction in the number of staff, for example. Three hundred and fifty staff have left voluntarily, including 270 in 2012 alone. In the past four years, the headcount has been reduced by 493. This big drop, from 2,351 to 1,858, represents a reduction of 21%. Unfortunately, the fact of the matter relates to the collapse in commercial revenue. The collapse in advertising has been more dramatic than anybody had forecast. This is not significantly due to the recession but to advertisers' migrating to other platforms and companies, where they can tailor their advertising to particular segments of the market that they want to target. The fall in the licence fee is not very significant or serious but the fall in commercial revenue has been quite dramatic. The cost of operating activities has decreased by 24%, or €104 million, from €439 million in 2008 to €335 million at the end of 2012.

On the Deputy's central point, which concerns efficiency and value for money, there have been very serious cutbacks. We must, in the interest of fairness, have regard to quality also. The national broadcaster will not get away with quality lapses, and if they arise they will be quickly highlighted and scrutinised. We have to take that into account as well.

**Deputy Michael Moynihan:** We expect the highest standards from the national broadcaster and have seen the disastrous consequences when it has not adhered to best practice. That is a debate which has taken place in committee rooms and elsewhere. As the Minister said about the licence fee, society is changing and RTE, for all its technical advice and backup systems which were seen as the leaders in technology, seems to be somewhat behind the curve. Advertisers have moved away from it. Huge changes will take place in broadcasting in the next five to ten years. We often hear commentators in RTE talking about fat in the system in other businesses or State bodies. Are the Minister and the Department completely satisfied that every efficiency has been achieved in RTE, in terms of backroom staff, producers, researchers and so forth working on particular programmes? After his discussions with RTE and given the changing face of broadcasting, is the Minister satisfied that it is up to speed in what will be a completely changed system in the next five to ten years?

**Deputy Pat Rabbitte:** It must be very disappointing for senior management in RTE that, having engaged in the serious restructuring it has carried out in the last couple of years and having had pay reductions and redundancies before similar companies, first quarter revenue income from commercial advertising has fallen. In the discussions I have had with the director general and the chairman of the board I have emphasised that the break-even objective for the end of this year has to be met, and the board accepts this. Unfortunately, this may mean management will look for more efficiencies. It is important to acknowledge the progress that has been made, at a cost of some hardship for persons who have left employment prematurely and those who have had changes in income and so on. However, the board and the director general are aware that they have to effect efficiencies wherever they can. It is also important to point out that they have used online services in coping with the changes in technology to which the Deputy pointed and have been doing so from the beginning. They are focused on the digital future of the company. My answer to the Deputy's question on whether there is an awareness and appreciation of the fact that they have to continue to make savings and achieve efficiencies where they can is yes. However, we come back to the net point that it is the diminishing commercial revenue that is causing the problem for the company.

*Dáil Eireann*  
**Energy Regulation**

56. **Deputy Richard Boyd Barrett** asked the Minister for Communications, Energy and Natural Resources if he will outline all the processes and conditions surrounding the establishment and management of windfarms, both on and offshore, including required permissions, environmental stipulations, licensing, taxes, royalties and other benefits to the State; and if he will make a statement on the matter. [27898/13]

**Deputy Pat Rabbitte:** The development and operation of wind farms in Ireland require planning permission from the relevant planning authority and, in the case of offshore wind farms, a foreshore lease from the Department of the Environment, Community and Local Government. They also require an authorisation to construct or reconstruct a generating station and a licence to generate from the Commission for Energy Regulation, CER. In addition, a grid connection from EirGrid or ESB Networks is required to become operational.

Planning and foreshore leasing are, in the first instance, matters between the developer of the wind farm and the planning authority subject to the Planning and Foreshore Acts, including the requirements for public consultation as specified in the legislation. In addition, best practice wind energy guidelines were published in 2006. The Department of the Environment, Community and Local Government, in conjunction with my Department and other stakeholders, is undertaking a targeted review of certain aspects of the guidelines. This review will examine the manner in which they address key issues of community concern to ensure wind energy projects do not have negative impacts on local communities.

In addition, the 2012 Government policy statement on the strategic importance of transmission and other energy infrastructure, published by my Department, emphasises the importance of public and local community acceptance, adherence to national and international standards in designing and constructing energy networks and infrastructure, early consultation and engagement with local communities, and building community gain considerations into energy infrastructure planning and budgeting. Applications for authorisations to construct or reconstruct a generating station and for licences to generate are assessed by the CER ahead of granting or refusing the application. The conditions imposed in the authorisation and the licence must be met by the generator and compliance is monitored by the CER on an ongoing basis. In regard to grid connections, EirGrid and ESB Networks assess applications and make connection offers in line with the appropriate development and roll-out of grid infrastructure.

*Additional information not given on the floor of the House*

In terms of benefits to the State, wind energy development has been the largest driver of growth in renewable energy. In fact, it will make the greatest contribution by far towards the achievement of the target for 2020 to meet 40% of electricity demand from renewable sources. Failure to achieve our overall renewable energy targets will result in compliance costs and emissions permit purchases. The Sustainable Energy Authority of Ireland has estimated that these could amount to some €100 million to €150 million per annum for each percentage point shortfall in renewable energy and a further €250 million in emissions permit purchases. With regard to taxation, the State benefits from the tax take on taxable profits generated by energy companies. Rates are also payable to local authorities and offshore wind energy project developers pay royalties of 2.5% of total revenue to the Department of the Environment, Community and Local Government under the terms of foreshore leases.

Regarding the potential export opportunity, the memorandum of understanding on energy co-operation that the United Kingdom Secretary of State for Energy and Climate Change, Mr. Edward Davey, and I signed on 24 January will result in the completion of a consideration of how Irish renewable energy resources, onshore and offshore, might be developed to the mutual benefit of the State and the United Kingdom. This will determine whether it is beneficial for both countries to enter into an intergovernmental agreement under the renewable energy directive to provide for renewable energy trading. The amount of energy to be procured by the United Kingdom and the mechanisms for sharing the resultant economic benefits, including an appropriate return to the Exchequer, are matters to be addressed over the course of this year and ahead of signing a potential intergovernmental agreement which would have to ensure no financial cost or risk to the State or Irish consumer.

**Deputy Richard Boyd Barrett:** I am strongly in favour of this country developing our renewable energy resources. It is vital that we meet, if not exceed, the target of 40% renewables production by 2020 in the context of the climate change crisis and the economic benefits arising from the development of indigenous energy sources. My concern, however, is whether the citizens of the State will reap the benefits of implementing that policy. We have heard about the proposed Dublin Array project which will see the construction of the second largest wind farm in the world 10 km off the Dublin coast and the controversial plans to install more than 1,000 wind turbines in



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the midlands to generate electricity not for this country but for the British grid. These proposals raise serious questions as to whether the regime we have in place will ensure the people will benefit from the development of our abundant wind resources. What tax regime will apply to these developments? Why is the ESB, for instance, not involved in the development of resources such as the Kish Bank? Have we examined international best practice in terms of proximity to the coastline where, for example, buffer zones of 22 km are observed by a number of the leading wind energy producers in Europe? What is the position in regard to royalty regimes? I am concerned that public consultation is not up to scratch. Some of us are of the view that there has been a giveaway of oil and gas, with no proper regime in place for the development of these resources. Will the Minister assure us that our wind resources will not be given away but will instead be developed to the benefit of the citizens of the State?

**An Leas-Cheann Comhairle:** I remind Members that one minute is allowed for supplementary questions and replies.

**Deputy Pat Rabbitte:** I do not know where to start in answering the Deputy. I take him at face value when he says he is in favour of building up renewables capacity in the economy. In so far as that capacity is meeting domestic need, I assume it meets his approval, provided it complies with good building standards. With regard to developing an export trade in this area, I appeal to the Deputy to stop using emotive language about our generating electricity for the Brits. If I were the Minister for Agriculture, Food and the Marine and came into the House to say I had got a new contract in Britain for beef, Deputy Boyd Barrett would not be railing against me for selling cattle to the Brits. I am completely confused as to why he rails against me for seeking to create the environment for, and to facilitate the emergence of, trade in an indigenous resource. In Ireland we can generate more energy than we need and will do so provided we can find a market for it. One cannot, broadly speaking, store electricity, so if one is going to generate more than one needs one has to be able to sell it to someone who does need it. Happily in these circumstances, the people of Britain do require renewable energy and we are in a position to sell it to them. As a principle I cannot for the life of me see why Deputy Boyd Barrett would want to interfere with that. We can talk about planning and all the rest, but in terms of the concept I would go home happy this evening if I felt I had persuaded Deputy Boyd Barrett that, for a tiny island economy, selling things to outsiders is a good idea.

**Deputy Richard Boyd Barrett:** The question is whether we will benefit from this. Of course we should sell energy if we have enough of our own, but in a situation in which we have very difficult targets to meet and must massively increase our domestic production of renewable energy, saying we should sell it to England before we have enough of it ourselves is a somewhat spurious argument. These issues need to be teased out.

In the midlands - and I am only asking the questions - serious issues arise with regard to proximity to people's homes. Are we looking at best practice for proximity to homes and to the coast in the case of the Dublin Array project? I have an open mind on these issues but I want to see best practice and proper public consultation and I want the Minister to say why there is a 22 km buffer zone for offshore wind energy in Germany, the Netherlands and other European states, while the UK and Denmark are also now considering bringing in a 22 km buffer. Crucially, I want to know what revenue we will get in the form of tax and royalties from the production of this energy. Will there be guaranteed security of supply to the domestic market? Will the energy produced go against our targets for the development of renewable energy or will they boost another country's targets if the energy producers decide to sell or mainly generate for other markets? These are serious questions that need to be answered. Before we can develop these resources, we need to be sure we will benefit from them and that they are being developed in an environmentally safe way.

**Deputy Pat Rabbitte:** I accept that there are serious questions and I can assure the Deputy that there is no question of our developing an export trade in this sector unless we are confident that our own targets will be met. I think I am correct in saying that technically the directive requires that we meet our domestic targets before we can engage in such export trade. This can be checked. The Deputy knows as well that, with regard to the 40% target, which he described as ambitious - which it is - there is a limit to how much wind the grid can take. We are a leader in that regard in Europe and the professional and technical competence of EirGrid is acknowledged. We have not yet agreed any royalties, taxes or anything else with the British Government. I signed a memorandum of understanding with my UK counterpart, Mr. Ed Davey, Secretary of State for Energy and Climate Change, in Dublin at the beginning of the year. Two teams are working on it to flush it out into a full-scale intergovernmental agreement. The Deputy is correct that if only the economics of it stack up, it will become a reality. Of course, there has to be benefit to Ireland. If I were selling cattle to Britain, I would not propose to give them away.

**Deputy Richard Boyd Barrett:** That was not my point.

**Deputy Denis Naughten:** I know a man who would give them away.

**Deputy Pat Rabbitte:** Absolutely, I know a bit about that.

**Deputy Richard Boyd Barrett:** The Minister is giving away our oil and gas, however.

**Deputy Pat Rabbitte:** No, I am not giving away our oil and gas. For the hundredth time since I got this job, can I point out to the Deputy that in the past four decades neither I nor any of my predecessors ever found any bloody oil to give away?

**An Leas-Cheann Comhairle:** Thank you, Minister.

**Deputy Pat Rabbitte:** How can I give it away if I do not have it? My car is leaking at the moment and I keep a pint of oil in the boot in case the red light comes on. That is all the oil that I am wasting or giving away.

I have to find the oil first. We are working on that too. I know that out in Dalkey I will have the Deputy's full support should a big gusher come at him down the main street.

## **Other Questions**

### **Hydraulic Fracturing Policy**

57. **Deputy Timmy Dooley** asked the Minister for Communications, Energy and Natural Resources when he will issue guidelines relating to hydraulic fracturing; and if he will make a statement on the matter. [27838/13]

**(Deputy Pat Rabbitte):** The current position in Ireland with respect to the use of hydraulic fracturing, or fracking, is that my Department has not approved any application for, nor licensed the use of, hydraulic fracturing in the Irish onshore.

Notwithstanding this position, however, I understand there are genuine concerns about the potential environmental considerations which may be associated with such activities. For this reason in October 2011, I asked the Environmental Protection Agency, EPA, to examine the whole issue of fracking and its potential environmental implications with particular reference to Irish geological conditions.

The EPA is in the process of finalising terms of reference to engage the appropriate expertise in this regard. These draft terms of reference have been the subject of a public consultation process. Over 1,000 submissions were received under this process and these are being examined. It is anticipated that, following the engagement of the relevant experts, the study will take considerable time to complete, leading to a potential publication date in 2015. The key questions to be addressed by this research are if this technology can be used while fully protecting the environment and what the best environmental practice in using this technology might be.

Any environmental guidance issued with respect to the conduct of fracking activities in Ireland would be informed by the findings of this research, were the research to find that such activities could be undertaken in an environmentally compliant manner. From a safety perspective, any proposed fracking activities would come under the remit of the Commission for Energy Regulation, CER. The regulator has already published statutory guidelines on the submission of safety cases relating to designated petroleum activities which will come into effect in November of this year.

**Deputy Michael Moynihan:** We are heading into uncharted territory with fracking. The EPA's report will be crucial in this regard. The Minister expects the report to be published in 2015 but there are significant concerns in communities that have been identified as sites with the potential for fracking exploration. It is important the correct messages are given out regarding environmental compliance and that nothing will be done until the EPA's report is published. Is the Minister satisfied the EPA will have a report by 2015? It is important we wait until the report is published, irrespective of what is happening in other parts of the Continent.

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We should wait until the EPA comes back to us with a scientific report, in which we can have all aspects investigated to the nth degree, before we proceed.

**An Leas-Cheann Comhairle:** I call on the Minister to reply. I will then call a number of other Deputies.

**Deputy Pat Rabbitte:** I accept what the Deputy has said, namely, that there are genuine concerns about the environmental and public health implications of the technology known as hydraulic fracturing. I accept that we have to get the science right and that any decision made in the future will have to be made on evidence-based conclusions. It is for that reason I have commissioned the EPA - I do not think anyone would question its independence - to cause this study to be delivered. It parallels many similar studies being undertaken in other member states of the European Union. The British Government recently brought forward tax advantages to encourage hydraulic fracturing in Britain and, generally, across Europe similar studies are being engaged in. There has been some exploratory drilling in Poland, but the results have been deemed disappointing so far. I presume there are many people in Poland who would say if shale gas was safe, that it would be a big step forward on the use of coal which is their country's main energy source. Europe cannot ignore the implications of the revolution in the use of shale gas in the United States. It has had a dramatic impact on the price of energy. Gas is between four and five times more expensive in Europe than in the United States. I need not point out to the Deputies the competitiveness implications of this for Europe *vis-à-vis* doing business with the United States. It is also something the European Commission and Heads of Government have to take into account.

**An Leas-Cheann Comhairle:** I call Deputy Richard Boyd Barrett who will be followed by Deputy Michael Colreavy.

**Deputy Richard Boyd Barrett:** I ask the Minister to watch the documentary film "Gasland" about the impact of hydraulic fracturing in some states in the United States. What it details is terrifying. Whole swathes of agricultural land have been poisoned and become unusable. The consequences of such activity for a much smaller country like ours where agriculture, tourism and the environment are extremely important could not but help the Minister to conclude that hydraulic fracturing is definitely not for this country, if it is something that should be pursued anywhere. If we have to find cheap energy sources, let us find them in renewables. Fracking is a no-no and would be a disaster for this country.

**Deputy Michael Colreavy:** The Minister is increasingly appearing to be a champion of hydraulic fracturing. I would not pin all my hopes on the economics of fracking because evidence is coming forward that three times the number of planned fracking wells are needed in order to hit the projected targets. That would have an impact on the cost of shale gas. Even more importantly, we of all nations should have learned that we cannot fully trust regulators and systems of regulation. When the Taoiseach was in Pennsylvania, he spoke in glowing terms about the shale gas effort there. I presume in Pennsylvania that there is the US equivalent of the EPA which undertook reports and so on before the work was done. The Department of Environmental Protection in Pennsylvania wrote a letter to many people in this regard. The letter stated that there is a physical danger of fire or explosion due to the migration of natural gas into water wells or through soils into dwellings where it could be ignited by sources that are present in most homes and buildings. It also stated clearly that the departmental investigation indicates that gas well drilling has impacted the water supply.

The worrying thing is that it was not the regulators who picked up on these problems but people who insisted that the Department of Environmental Protection carry out the tests. They were lucky enough to have baseline information, otherwise they would not have a leg on which to stand. It was up to the people. The companies will not notify and the regulators are not doing what regulators should do and we of all people know the consequences of that.

**Deputy Pat Rabbitte:** I have explained that any decisions down the line will have to be evidence based. I do not know how Deputy Colreavy can draw the conclusions he has drawn. I would say to Deputy Boyd Barrett that I have very limited time these days to watch horror movies.

**Deputy Richard Boyd Barrett:** The Minister should watch this one.

**Deputy Pat Rabbitte:** However, there are plenty of experts who will say that what is on display in that particular horror movie is no longer up to speed in terms of the technology.

I am not a scientist and I do not have to make this decision. The reason we create agencies, like the Environmental Protection Agency, is that we, as policymakers, have expert advice available to us from people who are

qualified to make these judgments. I share any concern there is about damage to the water tables in Ireland or to public health but I repeat again, because apparently there is a necessity to do so, that there is no fracking going on in Ireland.

**Deputy Richard Boyd Barrett:** Keep it that way.

**Deputy Pat Rabbitte:** Deputy Boyd Barrett should relax. His tap is perfectly safe. It will not go on fire until we at least get the EPA report. When get the report, we will discuss it.

## **Broadband Services Charges**

58. **Deputy Willie O’Dea** asked the Minister for Communications, Energy and Natural Resources the way the EU Commission’s proposals for reducing the cost of broadband will be transposed here; his views on the way Irish broadband costs for both business and personal customers compare to other EU countries; and if he will make a statement on the matter. [27846/13]

**(Deputy Pat Rabbitte):** On 26 March last the European Commission published its proposal for a regulation of the European Parliament and of the Council on measures to reduce the cost of deploying high-speed electronic communications networks. The Commission also submitted its proposal to the Council of Ministers and the European Parliament as it is required to do as a preliminary step in the EU legislative process.

The broad aim of the Commission’s proposal is to allow investors planning to install next generation broadband infrastructure to identify and negotiate access to useful spare capacity within the infrastructure of other utilities operating in the electricity, gas, transport and water markets and to reduce or remove other identified barriers.

Following publication of the proposal, the Council and Parliament, acting independently of each other initially, must consider the Commission proposal and adopt any amendments they deem necessary.

Transposition within member states will not occur until the Council and Parliament reach agreement and publish a binding legislative text. It is only at that stage that any supplementary requirements, arising at the national level, to give full effect to the EU regulation can be assessed. It is my understanding that formal consideration of the Commission’s proposal within the Council will commence in the coming weeks and a timeline for reaching conclusions on the proposal has yet to be set.

In terms of international price comparisons, I would advise the Deputy that ComReg, the market regulator, operates an online call-costs website which allows the public to compare the broadband packages marketed by the competing broadband services providers in any country. It is then a matter for customers to decide the most advantageous package available. ComReg also publishes quarterly statistical reports, which include international comparisons of retail broadband prices for residential and business customers.

The most recent report up to end 2012 shows that retail broadband prices in Ireland available to business users for fixed line broadband access and retail prices for pre-pay and post pay mobile broadband users are less than the EU average. The fixed line broadband charge for residential users exceeds the EU average.

### *Additional information not given on the floor of the House*

In the case of fixed line broadband access charges it should be noted that the comparisons do not take account of bundled services. There is an increasing trend of customers migrating to bundled service which provide some combination of fixed telephony, Internet access, TV and mobile telephony services. At the end of 2012, 44% of fixed line broadband customers in Ireland had contracted for a bundled service.

**Deputy Michael Moynihan:** The Minister concluded his reply by suggesting that broadband costs in Ireland are almost on a par with the EU average. Some reports have suggested that the cost of broadband to households, businesses and services in this country is 27% higher than the EU average and 7% higher than the OECD average. Broadband is a fundamental issue for Ireland. I think it will define our society into the future. Over recent generations, we have seen a huge movement of people from the west coast to the east coast. The policies of successive Governments, including policies that are ongoing, seem to favour the east coast rather than the west coast. If we do not get our broadband policy right very soon, there will be a huge divide within Irish society. Any fair assess-

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ment of the policies to which I refer will conclude that they have been detrimental to society and will continue to be detrimental to society. That is a completely separate issue, however. The point I am making is that reports have suggested that broadband costs in this country are 27% higher than the EU average and 7% higher than the OECD average.

**Deputy Pat Rabbitte:** I agree with much of what Deputy Moynihan has said. I can tell him that the figures he has mentioned are wrong. He will have to trust me on that. I will give him the accurate figures. In Ireland, the average monthly cost of residential fixed-line services is €28. The EU average is €22. The average monthly cost of fixed-line services to businesses is €22, compared to an EU average of €30. The average cost of mobile pre-pay is €17 per month in Ireland, whereas the EU average is €18 per month. The average cost of mobile post-pay is €16 here and the EU average is €17.50. I agree with what the Deputy has said about the importance of telecommunications infrastructure. The issue for us is the quality of the service, rather than any comparative cost disadvantage *vis-à-vis* Europe. It is not the case that there is any such disadvantage. The broadband plan that I published acknowledges that State intervention is necessary because the broadband service in some less densely populated areas is basic. There is fierce competition within the private sector in urban areas. One sees that on television all the time. The State must intervene in less densely populated parts of the country where the service is basic. We have committed some €300 million for investment in that third tier. Approximately three weeks ago, we commissioned consultants to prepare our State aid application. We have to go through the state aid process if we are to be allowed to invest taxpayers' money in bringing the system up to par. That, rather than any comparative price disadvantage *vis-à-vis* the bulk of the countries in Europe, is the area we are focusing on.

## Petroleum and Gas Exploration

59. **Deputy Michael Colreavy** asked the Minister for Communications, Energy and Natural Resources when he will carry out a review of the fiscal terms of petroleum licensing here; and if he will make a statement on the matter. [26711/13]

**Deputy Pat Rabbitte:** At the commencement of the Dáil debate on the report of the former Joint Committee on Communications, Natural Resources and Agriculture on offshore oil and gas exploration, and in deference to the work of the joint committee, I outlined my intention to seek independent expert advice on the fitness for purpose of Ireland's current oil and gas exploration fiscal terms. I also said I proposed to listen to the views of Deputies through the course of the debate before initiating the process of seeking such expert advice. I believe such expert advice should focus on the level of fiscal gain that is achievable for the State and its citizens and the mechanisms best suited to produce such a gain. Certainty regarding fiscal terms is a prerequisite to attracting oil and gas exploration investment to Ireland with a view to establishing the true oil and gas potential of the Irish offshore. In that regard, and particularly in the context of planning for the next licensing round, I intend to bring my consideration of this matter to a conclusion before the end of this year. That will ensure the next licensing round can be launched against a backdrop of regulatory certainty and thereby encourage much needed new investment in exploration in our offshore.

**Deputy Michael Colreavy:** I will be brief because I know the Leas-Cheann Comhairle is under pressure. I welcome the Minister's decision to open a review of the fiscal terms of petroleum licensing in Ireland. I think we need to get away from setting the terms of production before exploration has been done. I do not think there needs to be an intrinsic link between one and the other. The terms of production should be set when we know what is there to be produced. The cost of exploring Irish waters should be written off over 15, 23 or 25 years - it should not be an upfront cost that has to be recouped to the companies before this nation takes in 1 cent in revenue. I assume the Minister will accept submissions from interested parties as part of all the work that is going on.

**Deputy Pat Rabbitte:** I will begin by responding to what the Deputy has said about "interested parties". The Oireachtas committee spent six or seven months on this issue and prepared a report. I am taking the recommendations in the report as the basis of the way to go forward. The entire thrust of policy is to generate more offshore economic activity and increase the offshore exploration rate. We need certainty for that reason. Up to now, we have simply not attracted the level of economic activity one would expect. The expectations of the early 1970s have not been realised. We have not had an oil find. As I said in response to Deputy Boyd Barrett earlier, I find it difficult to understand why I am accused of giving away our oil, given that we have not found any yet.

**Deputy Richard Boyd Barrett:** What about Barryroe?

**Deputy Timmy Dooley:** There would be no putting up with the Minister if we found oil.

**Deputy Finian McGrath:** The Minister is a gas man.

**Deputy Pat Rabbitte:** If it is considered that our fiscal terms are a giveaway, I ask Deputy Colreavy to explain why our coastline is not black with ships exploring the Irish offshore. If our tax regime is so favourable to those who engage in prospecting and exploring, why is that work not under way? We have been drilling less than two wells per annum, on average, for the last dozen years. At that rate of drilling, it is like looking for a needle in a haystack.

**Deputy Timmy Dooley:** It is a shocking record.

**Deputy Finian McGrath:** The Minister needs to up his game.

**Deputy Richard Boyd Barrett:** Has the Minister not heard about Barryroe?

**Deputy Pat Rabbitte:** We do not have the State investment for a State exploration company. Therefore, we have to attract companies that can carry out such work. For that reason, we have to pitch the fiscal regime broadly in line with the situation in similar member states. There is no point in comparing apples with oranges. There is no comparison between this country and Norway, which has a particularly different geological structure and a hit rate of approximately one in four. Since the early 1970s, we have had four gas finds and no oil finds. I hope the signals from Barryroe continue to be encouraging as they are at the moment. Another couple of wells will have to be drilled before we know for sure whether it is commercially viable - whether the oil that is undoubtedly there is commercially extractable.

**Deputy Finian McGrath:** We have to get it shovel-ready.

## **Topical Issue Matters**

**An Leas-Cheann Comhairle:** I wish to advise the House of the following matters in respect of which notice has been given under Standing Order 27A and the name of the Member in each case: (1) Deputy Helen McEntee - the need for the pyrite levy Bill to be passed before the summer recess; (2) Deputy Shane Ross - the policy of increasing the pupil-teacher ratio in fee-paying schools; (3) Deputy Catherine Murphy - the provision of ambulance services in the Naas area of County Kildare; (4) Deputy Gerald Nash - the need to ensure the work of home helps is fully recognised and the budgetary commitment to restore the hours cut from the service last year is fully met; (5) Deputy Paschal Donohoe - the effects on part-time workers of the inclusion of Sunday as a working day for persons on social protection payments; (6) Deputy Dan Neville - the number of deaths from suicide in 2012; (7) Deputy Seán Kyne - the allocation of moneys to Comhar na nOileáin Teoranta in the recent Leader funding announcement; (8) Deputy Brendan Griffin - the allocation of moneys in the recent Leader funding announcement, in particular the shortfall of moneys for Gaeltacht regions; (9) Deputy Noel Harrington - the impact on energy security of the proposed sale of the oil storage terminal based on Whiddy Island in Bantry Bay and the oil refinery based at Whitegate in County Cork; (10) Deputy Mary Mitchell O'Connor - the issue of domestic violence, specifically in relation to the Women's Aid report; (11) Deputy Michael P. Kitt - the reduction in community project funds, Leader funding, in County Galway; (12) Deputy Michael McNamara - the use of the Finance Act as a blueprint for the regeneration of small towns and villages; (13) Deputy Denis Naughten - the need to provide additional staffing resources for the acute psychiatric unit at Roscommon County Hospital; (14) Deputy Patrick O'Donovan - the need for a new valuation process to be implemented to assist small businesses; (15) Deputy Thomas P. Broughan - the need to provide additional resources to An Garda Síochána and to review legislation on the sale of alcohol in seaside resorts including Portmarnock and Howth, County Dublin; (16) Deputy Thomas Pringle - the need to keep open St. Agnes's special needs preschool in Donegal town open; (17) Deputy Stephen S. Donnelly - the reports of the US National Security Agency's programme of indiscriminate information gathering and surveillance; (18) Deputy Clare Daly - the call by the Road Safety Authority for an independent inquiry into the termination of penalty points; (19) Deputy Joan Collins - the need for a temporary protection mechanism to be invoked by the European Commission to deal with the problem of refugees from Syria; (20) Deputy Mick Wallace - the call by the Road Safety Authority for an independent investigation into the penalty points controversy; (21) Deputy Joe Higgins - the response of the Turkish authorities to protests in Istanbul; (22) Deputy Michael Moynihan - the implications for the privacy rights of Irish citizens of the gathering of digital information by the US National Security Agency; (23) Deputy Luke 'Ming' Flanagan - mental health services in County Roscommon; (24)

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Deputies Aodhán Ó Riordáin and Barry Cowen - the proposal to build a large sewage plant at Clonshaugh, County Dublin; (25) Deputies Eamonn Maloney and Anthony Lawlor - the quality control and integrity of State examination papers; (26) Deputy Mattie McGrath - the proposed new rent allowance limits and the risk of homelessness; (27) Deputy John Deasy - the need for additional capital funding to facilitate the runway extension at Waterford Regional Airport; (28) Deputy Brendan Smith - the need to progress to construction stage the proposed building project at St. Kilian's national school in Mullagh, County Cavan; (29) Deputy Timmy Dooley - the implications for the future of the M50 of a recent report by the NRA; (30) Deputy Peadar Tóibín - the need to increase the level of rent supplement that is paid; (31) Deputy Richard Boyd Barrett - the

issue of fatal foetal abnormalities in the Protection of Life During Pregnancy Bill; and (32) Deputy Dessie Ellis - the need for measures to deal with street harassment particularly of a sexual or threatening nature levelled at women as highlighted by the Hollaback movement.

The matters raised by Deputies Helen McEntee; Aodhán Ó Riordáin and Barry Cowen; Shane Ross; and Eamonn Maloney and Anthony Lawlor have been selected for discussion.

### **Message from Seanad**

**An Leas-Cheann Comhairle:** Seanad Éireann has passed the Financial Emergency Measures in the Public Interest Bill 2013, without amendment.

### **Message from Select Sub-Committee**

**An Leas-Cheann Comhairle:** The Select Sub-Committee on Public Expenditure and Reform has completed its consideration of the Houses of the Oireachtas (Inquiries, Privileges and Procedures) Bill 2013 and has made amendments thereto.

### **Leaders' Questions**

**Deputy Micheál Martin:** It has been confirmed that the Government is to go ahead with a €500 million regional sewage treatment plant at Clonshaugh. This is a project that has caused considerable concern, anxiety, fear and opposition across north Dublin. More than 700,000 people will allegedly be served by this treatment plant and a 26 km orbital sewer will reach the sea between Baldoyle and the Portmarnock estuary. Alarming, the treatment plant is only a secondary treatment plant in that the level of treatment will be at secondary and not tertiary level. The impact on farming and, in particular, on the coastline and on fisheries will be very significant given the fact that up to 1,000 litres of sewage will be pumped every second. As this sewage will not be fully treated, this will clearly have implications for the local environment and the area concerned.

I point out that when this issue came to the Upper House, Senator Darragh O'Brien raised it with the Minister for Public Expenditure and Reform, Deputy Brendan Howlin, who said Senator O'Brien had made very constructive points during the debate and went on to say: "I am giving an undertaking now to the Senator that I will have it investigated." He also made other points about the propensity of engineers to have big projects.

The Minister, Deputy James Reilly, has now supported the project. He thinks that because it is on a flight path, this renders it more supportable. Of course, he spoke out against it when there was potential for it to go to Rush and Lusk, and, true to form, he thought it would have a huge impact on local fisheries there, but obviously he thinks it will have no impact on local fisheries in Portmarnock or Baldoyle.

Some 12,000 residents formally lodged a complaint. The various organisations sought meetings with the Minister for the Environment, Community and Local Government, Deputy Phil Hogan, but were refused point-blank. Will the Taoiseach undertake to ensure, at a minimum, that the Minister, Deputy Hogan, meets the residents' organisations and associations to hear first-hand their concerns and anxieties and to have the issue debated? Second, will he undertake to ensure that the investigation the Minister, Deputy Howlin, spoke about in the Seanad will be

followed through on and that a cost-benefit analysis will be carried out, as well as an investigation into the overall rationale and viability of the project?

The point I put to the Taoiseach is that 12,000 residents complained and formally lodged a complaint. The various organisations sought meetings with the Minister, Deputy Phil Hogan, but were refused point blank. Will the Taoiseach undertake, at a minimum, that the Minister, Deputy Hogan, would meet with the residents organisations and associations to hear first hand their concerns and anxieties and to have the issue debated? Second, will he undertake that the investigation the Minister, Deputy Howlin, spoke about the Seanad will be followed through on and that a cost-benefit analysis will be carried out as well as an investigation into the overall rationale and viability of the project at this stage?

**The Taoiseach:** I thank Deputy Martin for his question. It should be noted that, in the first instance, this is a matter for Fingal County Council. The role of the Minister for the Environment, Community and Local Government in regard to water services projects is to provide capital funding for the works that are involved. Beyond the inclusion of the project in the investment programme for planning and funding of the planning stage, the Minister has had no role in the development of these proposals. It is a matter for Fingal County Council to advance this project further in the planning process.

Following the identification of a preferred site by Fingal County Council, the council is required to prepare detailed plans and complete an environmental impact statement, EIS. That EIS, together with the planning application under the Planning and Development (Strategic Infrastructure) Act 2006, will be submitted to An Bord Pleanála, which will carry out its own statutory public consultation on this project.

Deputy Martin is aware that in March 2011, Fingal County Council appointed consultants to prepare a preliminary report and an environmental impact assessment for the greater Dublin regional drainage project, the north Dublin treatment plant and the orbital sewer. The identification of potential locations for the regional wastewater treatment plant was an important part of this process. The general scope of that project has been developed as part of the greater Dublin strategic drainage study and the strategic environmental assessment of that study.

I understand that as part of the alternative sites assessment process for the project, Fingal County Council identified nine different potential land parcels in the northern part of the greater Dublin area within which a proposed regional wastewater treatment plant could potentially be located, along with a marine outfall and an orbital drainage system. Of these nine land parcels, three sites were then identified by the council as the preferred site options. Yesterday, the council announced that the preferred option for the location of the wastewater treatment plant is at Clonshaugh, with the outfall pipe being 6 km out to sea from Baldoye. Non-statutory public consultation was carried out at each stage of this process by the council. I understand that the announcement was made to the elected members of Fingal County Council at the council meeting held yesterday afternoon. The council has determined that the Clonshaugh option is the better ecological and environmental solution, is more technically advantageous and provides the best value for money.

**Deputy Finian McGrath:** Deputy Terence Flanagan does not look happy.

**The Taoiseach:** The next steps are that the council will prepare its detailed plans and complete the EIS, which will be lodged with An Bord Pleanála, and the board will carry out its own statutory public consultation on the project. Open days are being held at Fingal County Council, County Hall, Swords, on 26 June, 29 June and 3 July.

As to whether there was any Government funding of the work to date, proposals for the north Dublin wastewater treatment plant and the orbital sewer are included as a scheme to advance through planning in the Department of the Environment, Community and Local Government's water services investment programme for 2010 to 2013. A planning-stage budget of €3.15 million has been approved for this project.

**Deputy Micheál Martin:** I am disappointed the Taoiseach did not answer the questions I asked, one of which was whether the Minister would meet with the organisations that represent residents across the region. To have 12,000 people objecting is a serious matter. We live in a democracy and the very least the Minister could do is to meet them, particularly given that, as the Taoiseach said, the Minister is providing the huge capital moneys that will be necessary for this plant.

Deputies across the divide in this House have questioned the wisdom of the plant. In the Seanad, Senator Darragh O'Brien questioned the nature and viability of the project. He asked the Minister, Deputy Howlin, to re-evaluate the project because, as Minister for Public Expenditure and Reform, he has oversight of all major capital



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works. There is no point in the Taoiseach saying the Government is not really involved in this or saying, "All we are doing is allocating €500 million, and that is all we have to do with it." It is a very serious capital allocation for a plant that is a secondary treatment plant only and will not provide tertiary treatment, which I consider incredible in this day and age in view of the need to treat effluent going into our harbours and bays.

First, I ask the Taoiseach to confirm that the Minister, Deputy Hogan, will meet with the residents concerned. Second, I ask that the Taoiseach follow through on what the Minister, Deputy Howlin, said, namely:

I was previously Minister in the Department of the Environment, Heritage and Local Government. There is a propensity for engineers to have big schemes. They much prefer to build reservoirs than fix leaks. There is nothing sexy about fixing a hole but construction of a multi-million euro dam and piping water for miles is a big event. I prefer to fix the leaks. I have given the Senator an undertaking that I will have the matter investigated.

The matter has not been investigated by anyone in government. Will the Taoiseach give an undertaking to ensure that the promise and commitment made by the Minister to Senator Darragh O'Brien - and, by extension, to the people of the Fingal area - will be followed through on, and that he will have the entire wisdom of this project re-evaluated and investigated? The Minister said it twice to Senator O'Brien in his reply on that occasion.

**Deputy Michael Healy-Rae:** They cannot keep a commitment.

**The Taoiseach:** As Deputy Martin is aware, I do not speak here for any particular Minister.

**Deputy Micheál Martin:** The Taoiseach speaks for the Government.

**The Taoiseach:** If the Minister, Deputy Hogan, were to sit down with any of the groups representing the 12,000 residents the Deputy mentioned, all he could say to them would be that his statutory function, if this project comes through the planning process, is to find money within his capital programme to make it happen. All the Minister could do in that regard would be to reiterate what are his functions. From long experience in this House, the Deputy is well aware that the reason we have a statutory process through the local authority and its functions and An Bord Pleanála is to have no interference with the planning process. The Deputy can be quite sure that if the Minister for the Environment, Community and Local Government of the day were to put his or her foot in this space, the wrong perception would be given.

An extensive investigation has already been carried out. Nine locations were identified as having the potential to deal with this. Three were assessed as being preferred options and of those three, the council informed council members yesterday that best impact from an ecological, technical and environmental perspective was the Clonsaugh location with an outfall pipe 6 km out beyond Baldoyle. This must go through An Bord Pleanála with an environmental impact assessment. This is completely independent of any Minister or any Government. In that regard, the process has been followed.

If this project goes through that process and becomes a reality, it is the function of the Minister for Environment, Community and Local Government to find the funds within the capital programme allocated to him to make it become a reality. The Deputy's request for the Minister to meet with groups carries no weight in that the Minister has no function here with the county council and An Bord Pleanála.

*(Interruptions).*

**The Taoiseach:** In the event of it going through an entirely independent planning process, both the Minister for the Environment, Community and Local Government and the Minister for Public Expenditure and Reform set the ceilings on each Department. However, this must go through a completely independent planning process. The Minister for Public Expenditure and Reform is quite correct in that it has been seriously investigated by the council, which identified nine potential sites. As I said in my reply, at each stage of that process, local consultations took place. If this comes through the independent planning process, the job of the Minister for the Environment, Community and Local Government and the Minister for Public Expenditure and Reform is to provide the funding to make it happen.

**Deputy Mary Lou McDonald:** Following the publication of the McAleese report last February, Mr. Justice Quirke was asked by the Government to report back within three months on a proposal for a redress and compensation scheme for the women of the Magdalen laundries. I understand this report was received by the Minister for

Justice and Equality and Defence last month but has not yet been published.

**Deputy Michael Healy-Rae:** He was busy.

**Deputy Mary Lou McDonald:** Media reports and leaks over the weekend suggested that Mr. Justice Quirke recommended the setting up of a reconciliation forum between the women and their former abusers. This suggestion has caused great upset among many survivors who have been in contact with me in recent days.

The Taoiseach is well aware that these women have waited for many years for recognition and vindication. They thought they had received that when the Taoiseach stood up in this House and apologised last February. However, the delay in publishing the report has confused and upset these women just as the ongoing delay in coming to a decision on Bethany Home causes ongoing hardship to former residents.

The women have gone through the trauma of telling their stories multiple times in written submissions and personal testimonials. They have put up with enough delay and need to be compensated for their unpaid wages and illegal incarceration and given their full pension rights. On what date will this report be published and will its publication bring to an end the confusion and hurt of these women? When will the Government make public its decision in respect of compensation for the survivors of Bethany Home?

**The Taoiseach:** I thank Deputy McDonald for her question on this matter. It is only fair to say that after so many years of nothing having been done about this that the Government put in place a structure and process by which a conclusion could be brought to the issue of the Magdalen survivors and the sensitivity, hurt and trauma associated with it.

Mr. Justice Quirke has reported to the Minister. The Government has not yet considered the report. It was very clear from the contributions made here on the Magdalen issue that there was a clear wish that this should not be a long-term, adversarial, legal and complex process and that because of the age and health circumstances of a number of the women, it should be dealt with as fairly and speedily as possible.

I expect the report will come before the Government in the next two weeks. The Government will consider the recommendations and the views of the Minister for Justice and Equality on it and make its decision. The report can then be published. In publishing the report, the Government will hopefully be able to set out its view on how the process of dealing with the recommendations made by Mr. Justice Quirke can be applied. We hope to have the report in the next two weeks and, hopefully, it can be dealt with speedily and conclusively.

**Deputy Mary Lou McDonald:** What about Bethany Home?

**The Taoiseach:** Bethany Home is still being considered by the Minister. I think I answered questions on this before. The situation is different and he is considering it.

**Deputy Mary Lou McDonald:** We are all aware that Bethany Home is a different scenario from the Magdalen laundries because it was a mother and baby home but they share one core similarity and that is the ongoing delay by Government in delivering justice to the survivors and victims. I cannot understand how the Taoiseach can stand up here and say that the Minister is still considering, cogitating and pondering Bethany Home. He has been supplied with all the information, testimonials and historical documentation in respect of the horrendous abuses that happened in that home. It is not good enough for the Taoiseach to come in week in, week out and month in, month out and kick this issue to touch. He needs to bring forward a date by which the Government will reach a decision. I hope it is not because he is trying to long-finger the issue to the extent that people will just go away, die off or stop demanding justice. That is not going to happen.

When Magdalen survivors heard the Taoiseach's very eloquent apology here when he spoke about how he understood that very many of them were older and some of them were in very poor health, they assumed he understood the need for speed in this matter. The Government has had the report for a month and the Taoiseach says it might consider it in two weeks time and has not given a definitive date for its publication. That is not good enough and does not tally with the Taoiseach's apology and the sentiment of this Dáil across all parties when the survivors were here in February. Why can the Taoiseach not consider and publish the report now and put in place the redress scheme the women so richly deserve? Finally, why can he not deal with Bethany Home? If he is not minded to deal with those victims, he should say so but he should not keep playing games with victims and people who have been so grievously hurt.

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**The Taoiseach:** To say we are playing games with the Magdalen women is an outrageous statement. Long before Deputy McDonald and I were born, this situation arose and no Government in the history of the State did anything about it. It was swept aside and under the carpet. Everybody in this House accepted that the appointment of Mr. Justice Quirke to look at the Magdalen situation was the way to go. He undertook to have a report back inside 12 weeks or three months.

**Deputy Mary Lou McDonald:** Which the Government now has.

**The Taoiseach:** Which we now have. Having waited 60, 70 or more years, it is only right and proper that this matter deserves real consideration by the Minister for Justice and Equality.

**Deputy Mary Lou McDonald:** It has not been considered thus far.

**The Taoiseach:** The Deputy says the Minister is cogitating and pondering, as she termed it. I wish to assure her that the reason we wanted the terms of reference set out in the way they were for Mr. Justice Quirke was to recognise the medical and health circumstances of many of the women involved, to recognise their infirmity and age in some cases and that time was not on their side or that of anyone else. It is right and proper that we should give this issue serious consideration. A financial element is included and Mr. Justice Quirke has made a number of recommendations. I expect that the Minister will come to the Cabinet inside the next two weeks. The report will be published immediately once the Cabinet has considered its decisions and recommendations. Once the process is decided upon, there will be no delay by the Government in following through. I hope it will be possible to agree on the process with the Magdalen women and deal with it effectively in their interests, having in mind the history of their trauma and distress.

We are not playing games in the case of Bethany Home situation which is different. Once the Minister has considered all of the implications for Bethany Home and a number of other smaller units, that decision will also be made by the Government.

**Deputy Mary Lou McDonald:** When?

**The Taoiseach:** The Deputy wants me to give a date-----

**An Ceann Comhairle:** We are over time. Will the Deputy please allow the Taoiseach to continue without interruption?

**Deputy Mary Lou McDonald:** This matter has been raised for years.

**The Taoiseach:** I give the Deputy my word that it will happen as speedily and quickly as we can.

**Deputy Clare Daly:** I congratulate the Taoiseach on the fact that one of his Ministers appears to have read the report on the inquiry into the termination of fixed charge penalty notices and understand that while it starts with, "Once upon a time", it does not end with, "happily ever after". This issue is not going away and credibility in the system will not be restored unless there is a full independent inquiry.

As we are now in the countdown to the G8 summit, I wish to raise a couple of issues in that regard. The Taoiseach is aware that fake shop fronts have been erected across Enniskillen to hide from the visiting G8 dignitaries the reality of an economy in tatters. It is somewhat reminiscent of the tactics employed by Potemkin in Czarist Russia who authorised the building of fake villages along the route to be travelled by Catherine the Great. Will the Taoiseach agree with me that this is a somewhat poignant analogy for the G8 gathering? The dictionary definition of a Potemkin village is an impressive facade designed to hide an undesirable fact. Will the Taoiseach agree that it is an undesirable fact that while they talk about eradicating hunger, the reality is that the policies being pursued by the G8 will ensure hunger? Will he agree that it is an undesirable fact that while they talk about dealing with tax evasion, they are the very people who are responsible for organising tax avoidance on a massive scale? Will he agree that while they talk about peace, this gathering up the road will in actual fact be a gathering of war-mongers?

How can the Taoiseach justify the spending of taxpayers' money on the deployment of 900 gardaí, having courts available 24 hours a day and judges on call and the possibility of the mobile phone network being shut down? I wonder whether he is taking lessons from his colleagues in Turkey in order to deal with peaceful protesters, while at the same time his Government has not deployed a single garda to investigate the hundreds of US military aircraft landing at Shannon Airport every year. For how long does he intend to facilitate Mr. Obama in

spying on citizens around the globe by allowing him access to the servers of the major Internet companies based in Ireland, despite our data protection legislation? Does he not think it would be more appropriate for the leader of a neutral country, rather than protecting the promoters of war, to make a gesture and protect those who advocate, speak for and defend civil liberties by offering asylum to the heroic whistleblower Mr. Edward Snowden?

**Deputy Finian McGrath:** Send the gardaí out in a boat.

**The Taoiseach:** My God, I thought the Deputy was suggesting there should be Garda checkpoints in respect of the possible delivery of penalty points for leaders of the G8 in travelling to the occasion in County Fermanagh.

**Deputy Joe Higgins:** That is an excellent idea.

**The Taoiseach:** This is a global gathering of the leaders of the most powerful economies in the world. It will make Ireland the focus of global attention. Prime Minister Cameron will host the G8 summit in County Fermanagh. There is a requirement on us in respect of the reputation of the country and the safety of every individual to see to it that, where appropriate and necessary, the co-operation of the Garda Síochána and the authorities is made available to the PSNI in order that the meetings can take place as scheduled. The participants will not be discussing war-mongering issues; instead they will be dealing with international issues such as security, food, human rights and the situation in Syria and other countries around the globe. This is politics, as required and necessary, to make decisions on these issues.

I do not accept the Deputy's argument about Catherine the Great. I am not aware of the detail of shop fronts being altered, although I have read some reports on it. I suppose it is a case of each local authority wishing to present its area in the best possible light. I hope the G8 summit will be a big success in the sense of dealing with many of the issues mentioned.

On discussions I may have with any of the leaders about trade or other issues, I hope at some stage to have the opportunity to raise a number of the issues which have been discussed in the House in recent weeks.

**Deputy Clare Daly:** The Taoiseach is deliberately choosing to ignore that the central thrust of the point at the heart of the G8 gathering is immense hypocrisy. It begs the question as to whose interests he wants to defend and how he sees himself. Is it not the case that the reputation of Ireland would be far better served by developing an independent foreign policy, one that was not reliant on bending the knee to US imperialism at every turn? The Taoiseach would make a better contribution to society if he were to do so. The point I am trying to make to him is that last week his Government signed a global arms trade treaty, yet he has systematically chosen not to undertake his right to investigate the military aircraft which routinely land on these shores. A total of 450 US military aircraft landed at Shannon Airport last year. The Tánaiste tells us the people concerned are not involved in military exercises, nor are they carrying weapons. This begs the question, first, as to how the Government knows this because it has not inspected the aircraft and, second, as to whether it is not peculiar that a great number of them must be going on holiday wearing military uniforms. The Taoiseach is choosing to stand over a situation where at every turn he is supporting US imperialism and the global capitalist powers to the detriment of a majority of the world's population. In the light of our history of enduring hunger and famine orchestrated from other countries, the G8 is discussing food policies which will result in hunger in many parts of the world. This is a concern which has provoked outrage all over the world. The Taoiseach may be aware that one hour ago 100 riot police stormed a meeting in London to discuss organising a protest to coincide with the G8 gathering. Is that the legacy and the reputation he would like for Ireland? Would it not be preferable if he took an independent stance on behalf of a neutral country?

**The Taoiseach:** I attended an occasion in London on Saturday morning at which Ireland was commended on its activities in the relief of hunger, in particular under-nutrition and malnutrition. Ireland's activities are recognised the world over by many leaders and representatives from countries where malnutrition and under-nutrition have serious consequences. Ireland was commended on its leadership and global involvement in that regard. Following the decision of the Tánaiste and on behalf of the Government, I was happy to inform the conference that Ireland would double its allocation in dealing with malnutrition and under-nutrition in the period to 2020. Issues with practical application from breast feeding to the agri-sector, including the dairy sector, are ones we have raised very strongly. Ireland is a non-aligned country. I remind the Deputy, as has been pointed out by former President Clinton on many occasions, that Ireland is one of the few countries which has had personnel at various locations around the world every day since the United Nations was formed to deal with peacekeeping, peace enforcement and humanitarian issues. For a small country, Ireland has made an extraordinary and well regarded contribution during the tenure of all Governments during the years.

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I do not have details of the number of flights through Shannon Airport. We have always supported this but never rendition flights. From that point of view, as a non-aligned country with the Tánaiste chairing the General Affairs Council, Ireland has put forward its views very strongly on the recent Council decision on the arms embargo on Syria and on how things should be dealt with at various locations around the world. We are very proud of the contribution we have made and continue to make. In that respect, we do not kowtow to any international power. We have our own views and have never been afraid to express them.

## **Ceisteanna - Questions (Resumed)**

### **International Summits**

1. **Deputy Micheál Martin** asked the Taoiseach if he will be attending bilaterals or any other meetings when the G8 Summit meets in County Fermanagh; and if he will make a statement on the matter. [23663/13]

2. **Deputy Joe Higgins** asked the Taoiseach the role he will play at the G8 Summit which will take place in Northern Ireland in June. [23968/13]

3. **Deputy Joe Higgins** asked the Taoiseach if he will raise human rights concerns regarding G8 member countries at the G8 Summit in June. [23969/13]

4. **Deputy Gerry Adams** asked the Taoiseach the issues he plans to prioritise when he attends the G8 summit in County Fermanagh in June. [25302/13]

5. **Deputy Richard Boyd Barrett** asked the Taoiseach if he has received a detailed agenda for the G8 Summit in June 2013; if he will report on that agenda; and if he will make a statement on the matter. [25469/13]

6. **Deputy Richard Boyd Barrett** asked the Taoiseach the issues he intends to raise at the G8 Summit in June 2013; and if he will make a statement on the matter. [25470/13]

7. **Deputy Micheál Martin** asked the Taoiseach the capacity in which he will be attending the G8 summit; and if he will make a statement on the matter. [26625/13]

8. **Deputy Patrick O'Donovan** asked the Taoiseach the role he will play at the upcoming G8 Summit in Northern Ireland; the issues he plans to raise at the summit with other leaders; and if he will make a statement on the matter. [27357/13]

9. **Deputy Dara Murphy** asked the Taoiseach his priorities for the G8 Summit in Northern Ireland in June; and if he will make a statement on the matter. [27359/13]

10. **Deputy Gerry Adams** asked the Taoiseach the issues that will be on the agenda for the G8 summit in County Fermanagh. [27866/13]

11. **Deputy Gerry Adams** asked the Taoiseach if he will brief participants on the Irish peace process during his attendance at the G8 summit in County Fermanagh. [27867/13]

12. **Deputy Gerry Adams** asked the Taoiseach if he will raise the issue of the Middle East peace process during his attendance at the G8 summit in County Fermanagh. [27868/13]

13. **Deputy Gerry Adams** asked the Taoiseach if he will raise the issue of global poverty during his attendance at the G8 summit County Fermanagh. [27869/13]

14. **Deputy Gerry Adams** asked the Taoiseach if he will raise the issue of Guantanamo Bay during his attendance at the G8 summit County Fermanagh. [27870/13]

**The Taoiseach:** I propose to take Questions Nos. 1 to 14, inclusive, together.

The G8 brings together the leaders of the world's major industrialised countries: the USA, Canada, France, Germany, Italy, Japan, Russia and the United Kingdom. The European Union has been represented at the G8 since the Lisbon treaty entered into force by the President of the European Council, currently Herman Von Rompuy, and

the Commission President, currently Jose Manuel Barroso. There is no formal role for the Head of Government of the member state holding the EU Presidency. This year the United Kingdom holds the one year presidency of the G8 and I am delighted that Prime Minister Cameron has chosen the Lough Erne Golf Resort, Enniskillen, as the location for the 39th G8 summit and associated events on 17 and 18 June. Prime Minister Cameron indicated to me last year that he was considering County Fermanagh as the venue and sought my views on the idea. I was happy to encourage him, noting that it would be a good outcome not just for Northern Ireland but also for the entire island. He also indicated that he would like me to join him in County Fermanagh on the occasion of these important events, which invitation I was pleased to accept on behalf of the people. This invitation reflects the fact that relations between Ireland and Britain are stronger than ever, as well as the particular choice of location for the summit. Details of the programme of events at Lough Erne have not yet been finalised and I will report on them to the House in due course.

Prime Minister Cameron has indicated that the focus of the UK presidency of the G8 in 2013 will be on three issues which are critical for growth, prosperity and economic development across the world. These are advancing trade, ensuring tax compliance and promoting greater transparency. Consequently, I expect that the G8 leaders will concentrate on these themes in their discussions at the summit. While I cannot say what specific human rights issues, if any, will be discussed at the summit, I assure the House that Ireland will continue to support calls for the closure of the Guantanamo Bay detention facility and the trial or release of detainees, as appropriate, as soon as possible.

On the issue of poverty, I am happy to report that, at the invitation of Prime Minister Cameron, I participated last Saturday in an event - Nutrition for Growth: Beating Hunger through Business and Science - organised in the context of the United Kingdom's G8 presidency. This collaborative event harnessed the support of governments, business and scientific and civil society communities to address malnutrition more effectively. It achieved significant commitments for investment in nutrition which are urgently needed to transform the lives of millions of women and children around the world. I pledged that, within our overall overseas aid resources, Ireland would double its nutrition efforts in the next eight years to 2020. This will involve strengthening our leadership role and partnerships on nutrition with Irish Aid's key partner countries to effectively tackle the scourge of hunger and malnutrition.

The decision to hold the G8 summit in County Fermanagh provides a unique opportunity for all of us, especially political leaders in Northern Ireland, to show the world the progress being made in the North and demonstrate the potential of the peace process to have real, tangible benefits for people across these islands. The recent publication of *Together: Building a United Community Strategy for Good Relations* by the Northern Ireland Executive is a positive step in the process which I will be happy to discuss with any G8 leader should a suitable opportunity arise. That the summit is taking place in County Fermanagh has very positive implications for this part of the island. In the near term a large number of the accompanying delegations are staying here, which is a welcome boost for tourism and local economies. More generally, the summit comes at a time when British-Irish relations have never been stronger and can play a positive role in strengthening these relations even further.

On the question of bilateral visits, I am pleased to confirm that Prime Minister Harper of Canada has accepted my invitation to come to Dublin next weekend prior to the summit. I will meet him on Sunday and we will take the opportunity to discuss the first-class bilateral relations between Ireland and Canada and prospects for enhancing our economic and trade relations. We will also discuss progress in finalising the EU-Canada trade agreement and I will brief him on the progress we achieved in this regard during our EU Presidency.

I wrote to the Japanese Prime Minister some months ago inviting him to visit Ireland around the time of the G8 summit and I am very hopeful he will visit Dublin after it concludes. This would be the first visit to Dublin by a Japanese Prime Minister and mark an important step in deepening relations between Ireland and Japan. It would also provide a significant opportunity to build on the already strong trade and investment links between our countries. I note that all external visits by the Japanese Prime Minister must be approved by the Japanese Parliament and I will report to the House in due course on this and any other bilateral visit that takes place around the time of the G8 summit.

**Deputy Micheál Martin:** There has been some comment in recent days, including today, on Garda security measures at the Border during the G8 summit. It is welcome that the summit is being held on the island. It is potentially very positive for its profile. I hope the opportunity will be used to convey certain issues and points to world leaders. It is an unfortunate reality of these times and global summits that extra security measures are required. Some small groups insist not only on their right to protest, which I uphold, but also to go further. Hence,

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the necessity for security. I wish the Garda Síochána the very best in its work in advance of and during the summit.

The information that has emanated so far on the summit's agenda is not encouraging. We have seen leaders beginning to queue up to declare the crisis is over, a weakening of proposals to co-ordinate activities and a dilution of some of the policies leaders had agreed, in particular at European Union level. This is alarming for the 27 million people who are unemployed within the European Union. I ask the Taoiseach for his opinion on the decisive move by the IMF in the past week in pointing to the errors in EU-IMF policies in the period 2008-10. The IMF has stated countries were not dealt with fairly and that the European Union has so far failed to acknowledge this fact properly. This has important implications for Ireland, but it was surprising that the Taoiseach used his position as President of the Council to argue against getting the Union to acknowledge what it had done wrong. He said no purpose would be served in looking at EU policy and how it had evolved and impacted on Greece, Ireland and Portugal. When he said there was no point in getting involved, he was arguing directly against Ireland's claim that significant further relief should be given to the State on foot of the European Union's role.

*4 o'clock*

It is interesting and I am amazed the head of the IMF is increasingly prepared and willing to say Ireland is carrying debts that are not its sole responsibility but the national Government is not advancing the argument as vociferously as the IMF. It is important we consistently and continually articulate the position the IMF is putting forward.

At Fermanagh, the key players will be talking about trade and competitiveness. It would be a better use of the Taoiseach's time, when he gets the opportunity, to focus on the impact of the early years of this crisis in terms of the policies of the EU, the ECB and the IMF. Those issues still need to be addressed.

The G8 will discuss the financial markets and in recent days a number of leaders have declared the financial crisis over. We are beginning to see the emergence of the Franco-German alliance. Last week there was a declaration that said nothing should be activated on banking union until everything has been agreed sometime next year. We are beginning to witness a resiling from earlier agreements on banking union to which the EU member states signed up. As president of the European Council, what does the Taoiseach plan to do about this dilution of the policy and the resiling from its implementation? Up to now, the Taoiseach said we have a clear agreement but that is not enough. What is beginning to happen represents clear breaches of the agreements. Is the Taoiseach proposing to do anything about that?

**The Taoiseach:** I thank Deputy Martin for his question. The point I made is that I see little point getting involved in an argument between the IMF and Commissioner Rehn. Deputy Martin is well aware the situation, as it happened a number of years ago, resulted in the country having to borrow €64 billion. The claims made by the Government at the time were rejected in respect of the hierarchy of bail-ins for the owners of banks, bondholders and so on. I am interested in continuing to negotiate with our colleagues at European level and with the troika in respect of the memorandum of understanding, which we hope to exit later this year. This solution will bring further benefits for the Irish taxpayer because of the economic train wreck that occurred a number of years ago. Far from arguing against further benefits for the country, the strategy has been very clear. This happened, as a matter of historic fact. What has been achieved since then? Interest rate reductions have taken place, the promissory note agreement with the ECB took place, and an extension of loan maturities was granted to Portugal and Ireland. As a consequence, yields have fallen from 15% to below 4%. The decision taken on 29 June last year must be implemented.

A number of issues about it arise, as Deputy Martin is aware. The single supervisory mechanism has been put in place, the capital 4 directive has been put in place and the process of dealing with resolution and recovery is under discussion as we speak. We hope to bring it to the next level at the next meeting. We also expect legislation from the Commission in respect of single resolution. All are important steps. The decision of 29 June is a credibility test for the European Council and the leaders of Europe. We want to see banking union implemented and we want to see it happen. In the lead-in to many discussions and meetings, comments will be made and interpreted in different ways. The decision has not been changed or altered. The decision was that the ESM could have the possibility of direct recapitalisation of banks. Since then, Cyprus happened and a bail-in hierarchy applied. In the past number of days, I spoke to the Prime Minister of Lithuania, Prime Minister Dombrovskis of Latvia, Prime Minister Katainen in Finland and Prime Minister Cameron in London and, yesterday, Prime Minister Letta in Italy. All of these leaders want to see the European Union follow through on the decisions it makes. It is a bad signal from the point of view of European Union citizens if they have the view that leaders make decisions at Council

level and do not follow through. It was never the intention that banking union would be a reality by June but the next meeting of the Council, at the end of June and just over a year since the decision was made, must continue to send a very strong signal about the process we need here. Why enter into making a decision in the first place if leadership is not going to follow through on banking union? That is an issue I have raised at the European Council on the past two occasions and with the directly elected prime ministers of the countries I visited and the French President, the Prime Minister of Spain, the Prime Minister of Portugal and others to whom I have been speaking.

A meeting will take place later this evening in respect of the multi-annual financial framework, MFF, and we want to see it become a reality because the budget for 2014 to 2020 is contained in it. When Deputy Martin and I were much younger, there were a number of exceptionally powerful leaders at European level. It is necessary there is a strong Germany, a strong France, strong Italy and a strong Spain. The big economies must be in a strong position to assist smaller countries as one of the principles of the EU.

**Deputy Micheál Martin:** What about Britain?

**The Taoiseach:** And Britain, of course, but I do not speak for the British Government. Nor do I speak for the British people.

**Deputy Micheál Martin:** It was a notable omission.

**The Taoiseach:** The Prime Minister has signalled a process and time alone will tell the outcome of what British people decide in respect of the general election and the referendum to be held. In that regard, I share the view of many people here. The decision was made by European Council.

**Deputy Micheál Martin:** It is not happening.

**The Taoiseach:** We want it to be really strong and we want it to happen because the mechanisms and tools have not been available to have Europe power ahead as it should. Some 90% of the world's trade will take place outside the borders of the European Union inside the next ten years and in light of the fact there are 26 million people unemployed, it is in the interest of the EU. There was a banking fiasco that continued for a number of years. Banking union is an essential part of sorting it out and we want to see it happen.

**Deputy Joe Higgins:** Are the records of some of the leaders attending the G8 summit in Fermanagh of concern to the Taoiseach? President Putin routinely crushes the right to democratic peaceful protest in Russia. President Obama routinely sends pilotless drones, which have killed thousands of innocent civilians, into Pakistan. The economic policies of the likes of Chancellor Merkel and Prime Minister Cameron are contributing in their austerity to the 26 million people unemployed in the European Union. These, and all the others, and the global policies they advocate and implement as leaders of world capitalism are responsible for the fact that hundreds of millions of people are hungry in the world.

What role will the Taoiseach play at the G8 summit? Can he elaborate on it? If I understood him correctly, he said he has no formal role. Will he sit there quiet as a churchmouse or will he raise some of the critical issues, challenge the leaders and confront them with the effects of their policies on hundreds, if not thousands, of millions of people?

Does the Taoiseach know that many ordinary people, including young people, trade unionists and advocates for the poorest countries on earth, plan peaceful protests at the G8 summit? Is he aware that this right to protest is being consciously and consistently undermined in a number of ways, including through scare stories in the media which deliberately play on lurid threats of widespread violence, disorder and terror? While I understand there have been some bomb threats by dissident republicans, which is quite reactionary and to be condemned, these stories go way beyond this. Is the Taoiseach aware that the Northern Ireland Minister of Justice, Mr. Ford, has highlighted these fears by demanding permanent sittings of the courts, including during the night and on Sundays, before the summit even gets under way, to cater for potentially hundreds of people who will, in his mind, be thrown into prison? Part of Maghaberry Prison has been set aside for this purpose. Does the Taoiseach understand the reactionary nature of this type of scaremongering as an attempt to cut across the civil right of people to dissent and to oppose the policies of the G8? Is it not clear that it is designed to discourage people from attending? A wide range of people protest against fracking, for example, and many other disparate but crucial issues facing communities. They wish to protest but they are being dissuaded from doing so.

We have previous experience of this. There were similar lurid threats when we were protesting against the Iraq



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war and before important demonstrations. It also occurred before the big summit in Dublin in 2000, if I remember correctly, when the Government of the day brought in water cannon from the North. There was no reason for it except to stoke up fear and to frighten people and families into staying away. Will the Taoiseach condemn this and clearly state that people have the right to protest peacefully? I encourage people to come out and show their views. The Taoiseach said he is aware of the false fronts being painted on shop fronts. Is that not really adding insult to the injury of the people of Northern Ireland who are currently languishing in unemployment and, for many, in poverty? Presumably, it is being paid for from the incredible £60 million that will be spent on this G8 summit, largely on security. Is it not incredible that world leaders feel themselves to be so much under siege that taxpayers, instead of spending this money on the development of local economies, jobs and decent communities, are forced to spend it on protecting these leaders from the people they are supposed to serve and represent?

**The Taoiseach:** I thank Deputy Higgins for his comments. Many Members have referred to the record of the G8 leaders. The country that holds the Presidency of the Council of the European Union - in this case, Ireland - does not have a formal role in the G8 summit. I assume the Prime Minister extended an invitation to me because Ireland holds the Presidency and also because the G8 summit takes place on the island of Ireland. If the holder of the Presidency was Italy, France, Britain or Germany, each of which is a member of the G8, it would also have a specific role and function in the summit as holder of the Presidency.

It is only right and proper to state that we have always been greatly concerned about the case of Sergei Magnitsky, the Russian lawyer who died in prison awaiting trial regarding a tax evasion scheme which he had uncovered and reported to the authorities. That is obviously an issue, and I note the reports of various other incidents in Russia in which human rights are of concern. Indeed, it should be noted that the Chairman of the Oireachtas Joint Committee on Foreign Affairs and Trade received a letter from the Russian ambassador indicating that if the committee's resolution calling for sanctions on Russian officials involved in the Magnitsky case was put through, it might undermine the adoption process between Ireland and Russia. It would be regrettable if that were to occur.

In so far as President Putin and the Russian Government are concerned, some countries have very different views about the relationship with Russia. In Finland, the Prime Minister was very clear the other day about the practical and pragmatic approach the Finnish Government and people have to their neighbours in Russia. There is a particular concern in regard to amendments to the Russian law on non-governmental organisations, NGOs, whereby NGOs that received foreign funding would have to declare themselves to be foreign agents, as they are called. Despite what has been said by some Russian commentators, this is not an approximation of registration requirements or laws within the EU. In April last, an EU delegation in Moscow delivered a *démarche* on behalf of the EU expressing concern about the NGO law and the intrusiveness and frequency of inspections of NGOs. Ireland, as holder of the Presidency, was one of the five member states that took part in this.

However, the EU's relationship with Russia is of critical importance in terms of energy, food, the agriculture sector and several other areas. In particular, we are anxious to see progress in the partnership for modernisation agenda, co-operation on the Common Security and Defence Policy, CSDP, and co-operation with the UN, where we continue to press EU positions, including on Syria, and where I am sure discussions take place on an hourly or daily basis with Russia. It is important that we continue to engage with Russia on areas such as media, Internet freedom and the role of civil society and, indeed, where our perspectives differ.

The Deputy mentioned the US President, Mr. Obama. This country has a particularly strong relationship with the United States. I refer the Deputy to the President's programme for the inclusion of a further 32 million Americans in a medical aid programme which they never had previously, and the difficulties that this has encountered within the American political system.

I had a brief conversation with the Garda Commissioner and the Chief Constable of the PSNI on the occasion of the formal opening of the Mary McAleese Boyne Valley Bridge last weekend. Clearly, as Deputy Martin pointed out, there is a requirement for the provision of proper and appropriate safety measures. Deputy Higgins is aware that there has always been a right to peaceful protest in this country. The Minister for the Environment, Community and Local Government, Deputy Phil Hogan, had the windscreen of his car smashed the other day during what was supposed to be a peaceful protest. In my county there has been extensive spending on protest matters for many years, using money which could usefully have been spent on the provision of schools, special needs assistants and so forth.

I have always been a clear supporter of the right of peaceful protest. I am quite sure the security forces and the security authorities have taken into account what happened on other occasions of G8 summits, when there clearly

was outrageous abuse of the right to peaceful protest. There is a requirement for both the PSNI and the Garda on this island to ensure that appropriate measures are in place to prevent acts of terrorism or exceptional violence, as have happened in the past. It is their responsibility and remit to see that these measures are implemented. From that perspective, I hope the G8 summit in County Fermanagh will pass off peacefully and that there will be discussions and decisions by the leaders of the eight most industrialised countries in the world on issues that affect us globally, such as hunger, human rights and economic development. I hope they will lead to growth, stability and job opportunities and that they will have a global impact. This is always a possibility that arises from making good, strong political decisions at the level in question. I hope that, on this occasion, the island of Ireland will be seen globally as a country that will have proven itself to be able to host a summit of this nature, thereby meriting the confidence displayed by the British Prime Minister. I hope the summit is good and that clear, strong, progressive and beneficial decisions will arise from it over the course of the two days.

**Deputy Mary Lou McDonald:** The Taoiseach correctly pointed out that County Fermanagh is a very beautiful part of the country and that it is undoubtedly well deserving of international attention. The Taoiseach pointed out that the summit is an opportunity to advertise the county and the surrounding areas. Fermanagh will be showcased, and accommodation in the surrounding districts, including Donegal and Cavan, will be booked out by delegations and the international press.

The organisation of the summit has led to considerable disruption to the daily lives of citizens. A-level exams may be interrupted and, heaven help us, there is even a danger that the Ulster championship clash in Brewster Park will be disrupted. More important than the location of the summit, however, is the impact that the deliberations of the world leaders have had and will have on the lives of people globally. The G8 constitutes the big, powerful and advanced industrial nations. It is, by definition, an elite.

There are a number of critical issues that the summit leaders need to focus on. The issue of protest has been raised. I have in my hand a programme of events to be held across the North from 12 June to 17 June. The events are organised by the Irish Congress of Trade Unions, Amnesty International, the Pat Finucane Centre, the Bloody Sunday Trust and Friends of the Earth. They include a very big event on the Saturday in the Belfast Botanic Gardens. The protests and acts of political demonstration have been well thought out and organised. Obviously, contingencies must be built in but it is not helpful, necessary or even accurate for us to hype up a possibility of unrest on the streets. I certainly hope it does not come to pass. The brochure I have to hand demonstrates precisely why people are protesting and the issues that animate the Irish in respect of global justice. It is not just a question of economic recovery in our own region, although it is essential and although the issues of European Union policy are front and centre in this regard, as it is also a matter of broader concern over the low life expectancy of millions of citizens, particularly in the developing world. In the Taoiseach's speech at the pre-G8 conference on Saturday in London, which was entitled "Nutrition for Growth: Beating Hunger through Business and Science", he announced that the Government would double expenditure on combating hunger by 2020. While that is very welcome, the Taoiseach made no mention of other core issues, such as land grabbing, land rights and gender inequality. He made but a passing reference to climate change. I raise these issues because they comprise some of the core issues that the G8 leaders need to focus on. They are the areas in which the leaders can and must have influence. The leaders must change their policies and the corporations based in their countries. I hope that when the G8 leaders meet, there will not just be lip-service paid to the core issues or a passing reference thereto. The leaders, as the Taoiseach stated, are the leaders of the most industrialised countries, and they wear this as a badge of honour that attracts considerable prestige. They, therefore, have an obligation to go beyond rhetoric and start settling on the precise actions that they, in their jurisdictions and collectively, might take to end the obscenity of children dying of diarrhoea and malnutrition. When we see the latter on our television screens, we are rightly shocked, upset and horrified, but it is not good enough for us to be shocked, upset and terrified, nor is it good enough for G8 leaders to make some references to this effect to hide their blushes because we need really profound and thought-out actions to deal with these matters. I ask the Taoiseach to ensure that these matters will form the backbone of the G8 discussions. The Taoiseach should make it his business to raise these issues not only on behalf of Irish citizens but also on behalf of citizens globally. Ireland is no different from other locations where the G8 summit has been held in that people are animated and outraged by gross inequality in the world. They are not just prepared to go along with it.

The worsening circumstances in Syria and the Middle East generally must be borne in mind. Last night, RTE broadcast a report on Syrian refugees that showed a very disturbing and not unfamiliar scene. We have seen refugees in the depicted position before. We must also bear in mind the circumstances in the Middle East more generally and the ongoing tragedy and travesty that is Palestine. Notwithstanding all the imperfections in our peace process - it is not a Northern Irish peace process but an Irish one in which we are all involved and which affects the country from one end to another - and the road we must still travel, we must realise we have made

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very considerable progress and can form a basis for optimism and action in other places in the world. I hope the Taoiseach will take the opportunity to brief leaders on the successes of our peace process and inform them of the hurdles we have yet to pass.

I expect the Taoiseach to raise the circumstances in the Palestinian territories and the failure by the international community to intervene positively and progressively in the ongoing conflict. In fairness to the Tánaiste, he has been proactive in raising at EU level issues associated with illegal settlements. The upcoming summit provides an opportunity for the Taoiseach to raise the circumstances in Syria and the ongoing problem in Palestine, and I hope he will avail of it. If he avails of it, it will mean saying some things that will be uncomfortable and which will not be welcomed by Israel and its government. Such is the nature of the very significant and challenging political injustices. Sometimes the hard things have to be said.

The recent decision of the European Union not to renew the arms embargo on Syria due to British and French pressure is a seriously retrograde step. We all know the reality is that big powers such as the United States, the European Union and Russia have significant influence in Syria. They need to use that influence to create the conditions for peace talks and a peace process that is viable, and not to deepen the bloodshed by transporting more arms to Syria. I urge the Taoiseach to take account of all these issues and assure us that he will, on behalf of us all, raise these core concerns of citizens throughout the world.

**The Taoiseach:** Deputy McDonald raised a range of issues. I take her at her word. I hope this can be a showcase, in the right way, for Ireland and Fermanagh. I hope it is an expression of confidence that the British Prime Minister wanted to host the G8 summit on the island of Ireland. I also hope that those who wish to exercise the legitimate right to peaceful protest do so.

The Deputy mentioned a number of events taking place between 12 and 17 June. She referred to the Pat Finucane case, but I had not heard of the issue she raised. It is another opportunity to have a peaceful protest, if that is what people wish to involve themselves in. Unfortunately, and for a variety of reasons outside my control and that of the Deputy, in other countries it has turned into something far from peaceful. Nobody wants that situation to arise in Ireland.

In regard to the protest by Friends of the Earth, I can confirm that water, food, food security and climate change are issues that are genuinely discussed at different EU committees and at the summit. The same applies in the case of the event at the Belfast Botanic Gardens. I genuinely hope this can be a G8 summit at which the leaders of the industrialised world focus, with real pragmatism and decisiveness, on a number of the issues that affect everybody, some of which the Deputy mentioned.

The conference in London on Saturday was about malnutrition and under-nutrition, not just the hunger situation which pertains in many countries. There were comments on the great advances being made by the Gates Foundation, for instance, in the elimination of disease and the countries in which this problem can be beaten over the next decade or so.

During the Olympics last year - an outstanding contribution by Britain, which was exceptionally well-run and a showcase for the world - the Prime Minister took the opportunity to call many leaders, representatives of NGOs and people working against hunger, specifically malnutrition and under-nutrition, to Downing Street. I was also happy to participate. A process was put in place whereby it was not just the games that took place, as well as all that goes along with them as a spectacle of athleticism and commitment; there was also a recognition of the millions who live in poverty and, within that, those living in dire poverty who suffer from starvation and malnutrition. The Prime Minister initiated the process by which this can become a parallel decision-making process at the next Olympic Games in Rio de Janeiro. The meeting on Saturday was attended by the Vice President of Brazil, the host nation for the Olympics in 2016. It specifically focused on malnutrition and under-nutrition, which give rise to stunted growth and carries through in progeny for successive generations.

There were passing references to the issues of land and gender inequality, but the conference was not about those issues. Two young people spoke, one of whom is now a journalist. He suffered from malnutrition as a young boy and graphically explained to the conference how he was unable to participate in football, which he loves, because of the food situation. His closing remarks to the conference asked leaders to remember the face of those who spoke, because it is an issue that affects so many. I commend the Prime Minister on calling so many people together and using the G8 as an opportunity to further the process of dealing with malnutrition and under-nutrition in the lead-up to the 2016 games, where this process will represent further evidence of decisiveness in dealing with

the matter. It is not a case of paying lip service to an issue that affects millions of people in hovels, inferior accommodation and places where people have nothing but the space on which they lie. The representative of Nigeria spoke about chiefs and tribes in her country. The tradition was that pregnant women were forbidden to eat eggs during pregnancy. Education is very important for the rights of women, and it must become an accepted part of life that they are entitled to the best food and the highest standard of living. Education in respect of tribal rights and tradition is important. She raised the point in the context of a number of siblings in her family. It was a powerful contribution and was recognised as such by all of those who were there. I hope the G8 representatives will reflect on where the Prime Minister has brought this process, and I hope there will be real, effective follow-up by the time the 2016 games take place in Rio de Janeiro.

The Deputy mentioned Syria. This appalling conflict is having horrendous consequences for millions of people. A number of initiatives and proposals have been put forward since the beginning of the conflict in March 2011, many of which raised the hope that the conflict would end swiftly, but that has not happened. There is no denying the fact that the US-Russian proposal of convening an international conference in Syria called the Geneva II talks is a welcome development to break the paralysis on the political track. The Special Envoy to Syria, Lakhdar Brahimi, has long argued that the international community cannot, as somebody here said years ago, stand idly by. The only hope of a peaceful political settlement is for the key international players, particularly SECO, to come together and apply sufficient pressure on all sides to bring about a dialogue for peace and transition. The EU pledged its full support for the US-Russian initiative and the conclusions adopted by the Foreign Affairs Council on 27 May which the Tánaiste attended. He made it clear that the EU would support every initiative to create the appropriate conditions for a successful convening of the conference. If it is to have any value and bear fruit there must be no preconditions set by the sides in the conflict. We urge the opposition and the authorities in Syria to take seriously the opportunity presented by the Geneva II talks so that the continuous stream of people being driven out of their family homes and villages to neighbouring countries can stop.

The relaxation of the sanctions regime is something Ireland did not support. The Tánaiste pointed out clearly at the meeting that we favoured an extension of the entire sanctions regime in order to put sufficient pressure on the Syrian authorities to stop their campaign of repression, under which so many deaths have occurred, stop driving people out of the country, and enter into dialogue. A relaxation of the arms embargo would only lead to further militarisation and loss of life and would trigger an arms race inside and outside Syria. We also have a legitimate concern that supplying arms to moderate opponents of the Assad regime will gravely undermine any prospect of a political settlement, particularly at a time when international diplomatic efforts such as those deployed by Russia and the US seem to be leading to some sort of progress in terms of political dialogue.

At the Council, different views were expressed by some of the leaders. There was a strong recognition of the importance of EU unity on this matter and of the inevitable fact that our unity and leverage with others would suffer if we did not maintain cohesion. Thus, the decision was made by the Council with which Ireland disagreed. However, it is important that the 27 member states remain focused on the objective of overall peace.

The Deputy also mentioned the Middle East. The US Secretary of State, Mr. John Kerry, has personally prioritised the Middle East peace process. He has been in regular contact with the Israelis, Palestinians and regional leaders since his first visit to the region with President Obama in March and recently made his fourth visit there. While the nature of the work he is involved in is confidential, it is expected that the initiative needs to advance now from listening mode to a more direct engagement in terms of peace talks. Such negotiations are always particularly complicated and sensitive in that region.

We are concerned by the series of recent announcements of large-scale Israeli settlement expansions in the occupied Palestinian territories. Having visited the region some years ago, I understand the implications of these developments. Any unilateral provocative actions by either side that are aimed at creating new realities on the ground must be avoided for these negotiations to have any chance of success. Let us hope that Senator Kerry's new initiative, his personal prioritisation of the issue and his frequent visits will enable a sense of good faith that common sense can apply and progress can be made.

**Deputy Richard Boyd Barrett:** I intend to travel to Fermanagh to protest at the G8 summit later this month.

**Deputy Paul Kehoe:** That is not a surprise.

**Deputy Richard Boyd Barrett:** In addition, I will speak at one of the alternative summits, in Belfast, where the policies of the G8 will be critiqued on the day before the summit.

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**Deputy Patrick O'Donovan:** Will the Deputy be bringing a few rubbish bins?

**Deputy Richard Boyd Barrett:** I am very concerned, as are others who intend to participate in these protests, about the enormous hype in terms of potential security threats surrounding the summit. I am very disappointed that the Taoiseach is echoing some of this narrative by alluding to possible threats from protesters. He referred to smashed windscreens, for example.

**The Taoiseach:** That happened down here.

**Deputy Richard Boyd Barrett:** The Taoiseach threw it into the narrative.

**The Taoiseach:** No, I was agreeing with the point made by Deputy Mary Lou McDonald.

**Deputy Richard Boyd Barrett:** Is it not the case that a broken windscreen does not scream with agony in the same way as does a child who is blown to pieces by a drone weapon deployed by the United States in Afghanistan?

**Deputy Finian McGrath:** Hear, hear.

**Deputy Richard Boyd Barrett:** Let us get these matters in proportion.

**Deputy Patrick O'Donovan:** Since when did two wrongs make a right?

**Deputy Richard Boyd Barrett:** There is no comparison between an unmanned drone blowing an innocent child to pieces and a broken piece of glass. The reason people are protesting with peaceful intent is that they find it stomach-churning that the leaders of the most powerful nations in the world would talk about peace and global justice while at the same time deploying these types of weapons to such devastating effect, thereby extinguishing the lives of innocent children and families. The bottom line is that the United States and its G8 partners are the major manufacturers, purveyors and users of weapons of mass destruction.

Will the Taoiseach echo the concerns of protestors in his dealings with Mr. Obama, Mr. Putin and the leaders of the other powerful states that produce, sell and use these weapons? Will he argue that people are right to express concern about the hundreds of billions of dollars being spent on weapons of war and the means to destroy human lives? That is why people are protesting. As Prime Minister of a country that established its identity in the struggle against empire, the Taoiseach should speak out on behalf of those people. He should make the case that their concerns are justified. Will he also articulate the concern that the major recipient of aid, most of it military aid, from the United States is the state of Israel, which is using that aid to devastating effect in a series of attacks against the innocent people of the occupied Palestinian territories?

Will the Taoiseach further undertake to ask President Obama why his Secretary of the Treasury vetoed a proposal to impose some of the burden of the financial crisis in this country on bondholders? Some of us in this House raised this issue two years ago and that particular intervention has since been confirmed. It has had a devastating effect on the ordinary citizens of this country. Moreover, as we have learned from what happened in Cyprus, it was not necessary. It was, in fact, possible to burn bondholders without the entire financial system falling apart. Yet we were spun the lie at the time that it could not be done. The critical intervention came from President Obama's Secretary of the Treasury that burning bondholders might impact on certain corporate interests in the United States. Will the Taoiseach challenge the Obama Administration on the devastating effect that has had on our citizens?

Finally, will the Taoiseach demand in advance of the summit an assurance from the Northern Ireland authorities and from the Garda that peaceful protestors will be left alone, that there will not be phalanxes of robocops intimidating and terrifying peaceful protestors, trade unionists and environmental activists who want to travel to Fermanagh to raise these legitimate points? The Taoiseach must do so regardless of whether he agrees with those protestors.

**Deputy Patrick O'Donovan:** Following on from Deputy Richard Boyd Barrett's contribution, would the Taoiseach agree that the G8 summit should be welcomed as providing a forum in which the wealthiest and most powerful countries in the world can discuss these issues? Without that forum, the vacuum that would be created is the very same vacuum which led to two world wars on this Continent and millions of deaths in the last century. Deputy Boyd Barrett might do well to reflect on that.

Will the Taoiseach update the House on the opportunities that might exist on the fringes of the summit for

bilateral meetings? He mentioned meetings with the Canadian and Japanese Prime Ministers. Does he envisage opportunities at the summit itself for meetings of that nature?

Deputy Mary Lou McDonald alluded to the upsetting report on RTE news last night from a former Minister of State in this House, in his new role at UNICEF, in regard to the crisis in Syria. Is it the Taoiseach's intention, as President of the European Council, to bring that issue to the fore at the G8 summit? What we saw on the news last night was harrowing.

**Deputy Dara Murphy:** All rational, reasonable and sane people very much welcome the opportunity presented by the G8 summit, not just for the people of Northern Ireland and Britain but for everybody who shares this island. While there will undoubtedly be disruptions, it is fair to say that it represents a once in a generation opportunity to punch above our weight on the global stage. It is an important step in the Taoiseach's journey to re-establish our international reputation, which was severely tarnished in recent years and between 2007 and late 2010 in particular.

Several economists have speculated that a bilateral trade agreement between the United States and the European Union would offer scope for GDP growth of 1.5% to 2% in both jurisdictions. The Taoiseach has done significant work in this regard during his term as President. As a small, open economy we would benefit more than most countries from such growth. Unfortunately, Europe as an entity has achieved only very low levels of growth, if any at all, in recent years. Will the issue of multilateral trade agreements be discussed alongside the EU-US trade negotiations? We are all aware that growth is the action within an economy which gives rise to increased employment. While other issues frequently come on the table, such as stimulus from government, debt reduction and terms of debt repayments, the potential for multilateral and bilateral trade agreements represents a separate and parallel step that could be taken.

**The Taoiseach:** In response to Deputy Boyd Barrett, I rarely agree with my colleague from Sinn Féin but I did agree here that the right of legitimate peaceful protest in this country has always been held out for anybody. Where protest takes place I hope it is peaceful. The problem has been that sometimes what starts out as a peaceful protest does not end up in that fashion. That is why in many parts of the west we have had to deal with unruly elements-----

**Deputy Richard Boyd Barrett:** They were from the locality.

**The Taoiseach:** They were not from the locality. They decided to disrupt the legitimate right of peaceful protest and turn it into something else entirely.

**Deputy Joe Higgins:** Does the Taoiseach condemn the violence done by drones?

**The Taoiseach:** Of course I share the Deputy's view that the windscreen of the private car of the Minister for the Environment, Heritage and Local Government, Deputy Hogan, is not of any consequence in comparison with the silent screams of a starving child or a beaten person or whatever. I just pointed out that sometimes what commences as a peaceful, legitimate protest does not end up that way. I had occasion yesterday to convey our condolences and sympathies to Prime Minister Letta in Italy because of the unfortunate loss of Giuseppe La Rosa's life. He was a 30 year old soldier in Afghanistan where I understand a child threw a bomb into the facility where he was. We have seen the horrific evidence of the use of child soldiers in various places around the world which I am sure the Deputy condemns as much as I do.

The connections we have built over the years and in relatively recent times with the leaders of different countries are important. Prime Minister Harper is coming here on Sunday night. The relationship between Canada and Ireland is important because unfortunately many of our people have emigrated to Canada where gainful employment is available in engineering and other projects.

**Deputy Aengus Ó Snodaigh:** That is because of the Government's policies.

**The Taoiseach:** As part of the process of negotiation between the EU and Canada there are issues that will benefit Ireland as one of the countries within the EU.

I wrote to the Japanese Prime Minister several months ago. The Japanese Parliament must approve every external state visit by the Prime Minister. No Prime Minister of Japan has come here since the foundation of the State but the current Prime Minister is anxious to expand Japanese connections around the world. Hopefully that

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will take place here, as well as his visit to the G8 summit in Fermanagh.

President Obama's interest in dealing with Iran and the concerns that many countries have expressed about the nuclear non-proliferation treaty have not, despite huge effort and great patience, made real progress because Iran simply refuses to engage seriously in this matter.

**Deputy Richard Boyd Barrett:** What about Israel?

**The Taoiseach:** Iran is of global concern as Deputy Boyd Barrett is well aware.

Deputy O'Donovan raised the question of industrialised countries and the potential that exists here, as did Deputy Dara Murphy. I am sure that on the fringes of the G8 summit there will be some opportunities to discuss the matters that the Deputies mentioned here. I hope that at its next meeting the European Council will be able to discuss Syria and Libya. This matter has been of great concern to the French because of the bombs going off at the embassy there, and for the Italian Prime Minister and his relationship with Libya, and to other leaders who raised it at the last meeting and it will be raised again at the next one.

The distressing scenes filmed by UNICEF in Syria speak for themselves. Nobody wants to see this. That is why all these international efforts should be enabled to pay dividends. Deputy Dara Murphy raised the question of the relationship between this country and these leaders. The former vice president of China came here and established a relationship with Ireland because of his interest in the agri-sector in County Clare. He is now the most powerful politician in China and one of the global leaders. He made the point that we signed a strategic partnership agreement and through the efforts of the Minister for Agriculture, Food and the Marine, Deputy Coveney, and his Department, Ireland is now able to export thoroughbreds directly to China whereas previously they had to spend four months in quarantine in the Netherlands.

**Deputy Finian McGrath:** Is that for making horse burgers?

**The Taoiseach:** Ireland is actively pursuing the scientific conditions that can apply for entry of beef and other agri-products. We are actively involved in developing a racing industry in China. The Chinese people have had the propensity to the odd flutter and they look to Ireland as being a leader in many ways. I have mentioned Japan, and we have a very strong relationship with the US, Great Britain, Germany and Italy. Earlier I referred to the question of relations with Russia. The European Council is pursuing the issue of EU-US trade. In response to Deputy Dara Murphy we hope to get a mandate for these discussions during our Presidency of the EU. It is not simple. There are problems and various matters to be dealt with on both sides of the Atlantic with serious potential for disruption here. We want to get a mandate so that these things can be discussed and negotiated. The menu is extensive and some of the issues will probably not be dealt with for many years but there is a range of non-tariff areas where these things can apply.

**Deputy Timmy Dooley:** Does Fine Gael not hold parliamentary party meetings anymore?

**The Taoiseach:** This has the potential to grow these economies by 2% or 3% with at least 2 million jobs on this side of the Atlantic in the European Union and that is in everybody's interests. The signal should be that leaders are prepared to set down global trade conditions between the two most powerful trading blocs in the world, the United States and Europe. That holds potential for jobs in Deputy Finian McGrath's constituency as well as across Europe.

**Deputy Timmy Dooley:** When Deputy Tom Hayes was chairman of the party at least it held parliamentary party meetings and did not use the Dáil Chamber for that purpose.

*Written Answers follow Adjournment.*

### **Appointment of Minister of State**

**The Taoiseach:** I wish formally to announce, for the information of the Dáil, that the Government, on my nomination, has appointed Deputy Tom Hayes to be Minister of State at the Department of Agriculture, Food and the Marine with special responsibility for forestry, horticulture, the greyhound industry and food safety with effect from 5 June 2013.

## Order of Business

**The Taoiseach:** It is proposed to take No. 9, motion re referral to joint committee of proposed approval by Dáil Éireann of the Employment Equality Act 1998 (Section 12) (Church of Ireland College of Education) Order 2013; No.10, motion re referral to joint committee of proposed approval by Dáil Éireann of the development of a prison in the townland of Rathmore and city of Cork; No. 11, motion to rescind order of referral of the Social Welfare and Pensions (Miscellaneous Provisions) Bill 2013 to the Select sub-Committee on Social Protection; and No. a19, Social Welfare and Pensions (Miscellaneous Provisions) Bill 2013, on the supplementary Order Paper - Committee and Remaining Stages. It is proposed, notwithstanding anything in Standing Orders, that the Dáil shall sit later than 9 p.m. tonight and shall adjourn not later than midnight; Nos. 9, 10 and 11 shall be decided without debate; subject to the agreement of No. 11, the Committee and Remaining Stages of No. a19 shall be taken today and the proceedings thereon shall, if not previously concluded, be brought to a conclusion at midnight by one question which shall be put from the Chair, and which shall, in relation to amendments, include only those set down or accepted by the Minister for Social Protection; in the event a division is in progress at the time fixed for taking Private Members' business, which shall be No. 46, Finance (Local Property Tax Repeal) Bill 2013 – Second Stage, Standing Order 121(3) shall not apply and Private Members' business shall, if not previously concluded, adjourn after 90 minutes.

**An Ceann Comhairle:** Is the proposal that the Dáil shall sit later than 9 p.m. tonight agreed to? Agreed. Is the proposal for dealing with items Nos. 9, 10 and 11, motion re referral to joint committee of proposed approval by Dáil Éireann of the Employment Equality Act 1998 (Section 12) (Church of Ireland College of Education) Order 2013; motion re the development of a prison; and a motion to rescind referral of the Social Welfare and Pensions (Miscellaneous Provisions) Bill 2013 to the Select sub-Committee on Social Protection, agreed to?

*5 o'clock*

**Deputy Micheál Martin:** On No. 10, my colleague Deputy Billy Kelleher is very anxious that we get a commitment from the Government that the proposal for the development of a prison in Rathmore, Cork, would come back to the Dáil for a plenary discussion as there is significant concern about the nature of it. It is important that the matter would come back to the House for debate. We are opposing how the Social Welfare and Pensions (Miscellaneous Provisions) Bill 2013 is being dealt with.

**Deputy Aengus Ó Snodaigh:** I oppose No. 11, the order to rescind the referral of the Social Welfare and Pensions (Miscellaneous Provisions) Bill 2013 to the Select sub-Committee on Social Protection. This is an example of how this House is doing its business in the wrong way. Every Bill should go through its proper Stages as laid out in the White Paper, *Regulating Better*. Both parties in government agreed with this and quoted it on a number of occasions in the House. It laid out that the heads of a Bill would be published first, then debated at the relevant committee, sent back to the Minister and the Cabinet, followed by First Stage with a two week gap to Second Stage and a further two week gap between Second and Committee Stages. The problem is that legislation is being published and then rushed through the House. The most appropriate place to have a considered and informed Committee Stage debate with the Minister and her officials on the Social Welfare and Pensions (Miscellaneous Provisions) Bill 2013 is the committee rather than on the floor of the House, as proposed today. There are occasions when it is better to have the whole Dáil meet in committee to deal with legislation. As there is no urgency attached to the Social Welfare and Pensions (Miscellaneous Provisions) Bill 2013, it would be better to refer it to the relevant committee in order that it can analyse, add to or correct it.

**The Taoiseach:** On the proposal to construct a new prison in Cork adjacent to the existing prison, development consent for prison development is sought under Part 4 of the Prisons Act 2007, under which major prison developments are subject to a special approval procedure rather than the normal planning process. The main steps involved are written ministerial direction that Part 4 applies, the preparation of an environmental impact assessment, EIA, a public consultation process, a report by a rapporteur on the submissions and observations received, consideration by the Minister, approval by resolution passed by both Houses of the Oireachtas and approval confirmed by an Act of the Oireachtas. In June 2012 the Minister for Justice and Equality issued a direction, SI No. 240/2012, that the Part 4 procedures should apply to the new prison in Cork. A detailed EIA was laid before both Houses on 8 November last year and notice was given to the public of the proposed development. A rapporteur, Mr. James Farrelly, prepared a report on the submissions and observations received.

**Deputy Micheál Martin:** I only wanted to know whether it would be brought back for debate.



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**The Taoiseach:** The Minister proposes to move a draft Oireachtas resolution under section 26 of the Prisons Act 2007 to give development consent for the proposed new prison in Cork. After the resolution has been approved, it has to be confirmed by an Act of the Oireachtas. The confirmation Bill will be published after the resolution is passed. The Minister is anxious that the resolution be passed by both Houses before the summer recess in order that the tendering process for the construction of the new prison can proceed. There is an urgent need to proceed with this because the situation in Cork Prison is simply not acceptable, with chronic overcrowding and inadequate prison conditions. For that reason, the Minister is anxious that the taking of the resolution be given priority in the ordering of the House's business. Once it comes back from the committee, I see no problem in having a debate on it.

**Deputy Billy Kelleher:** Therefore, there will there be a full plenary discussion on the development of the prison.

**The Taoiseach:** The Minister is anxious that it move to the tendering process as quickly as possible.

Regarding the Social Welfare and Pensions (Miscellaneous Provisions) Bill 2013, normally the situation is in the reverse that Members want to have it discussed in the House. The Minister for Social Protection is anxious to get the Bill through before the end of the month. For that reason, it will be taken on the floor of the House during plenary session rather than at the committee. I support the Minister's move to have it taken in the House.

Question, "That the proposal for dealing with No. 10, without debate, be agreed to," put and declared carried.

**An Ceann Comhairle:** Is the proposal for dealing with No. a19 agreed to?

**Deputy Micheál Martin:** It is not agreed. Yesterday we received the first report card on Ministers. It will be recalled that the Taoiseach promised this some time ago on "The Late Late Show". The report cards came in the unlikely form of a statement by the Minister of State, Deputy Paul Kehoe, the Chief Whip, when he spoke recently on Dáil reform, the guillotining of debate on legislation and the failure of Ministers to appear before the House to deal with three out of every four Topical Issue matters raised.

**Deputy Billy Kelleher:** That is shameful.

**Deputy Micheál Martin:** In fairness to the Chief Whip, he accepted the appearance rate of the relevant senior Ministers was unacceptably low and unsatisfactory, saying, "I would be first to say that it is deplorable that some Ministers are calling for Dáil reform and, at the same time, do not co-operate with reform." That is hard-hitting stuff from the Chief Whip.

**Deputy Timmy Dooley:** It is solid. Fair play to him. I see the new Minister of State, Deputy Tom Hayes, sitting next to the Chief Whip, worried if he will receive a good report.

**Deputy Micheál Martin:** The programme for Government states the Government will "tackle the huge over-use of guillotines to ram through non-emergency legislation". It continues:

While recognising that there may be exceptional circumstances in which debate may need to be concluded by a given deadline, we will restrict the use of guillotine motions and other procedural devices that prevent Bills from being fully debated, so that guillotining is not a matter of routine as it has become at present, particularly at the end of a session.

We will also deal with the related problem of legislation being shunted through at high speed and will ensure that Dáil Standing Orders provide a minimum of two weeks between each Stage of a Bill, except in exceptional circumstances.

**Deputy Michael Healy-Rae:** There is a lot of shunting now.

**Deputy Micheál Martin:** Lo and behold, we discover, courtesy of a forensic article in *The Irish Times* yesterday, that the debates on 52 of 92 Bills, or 57%, introduced by the Government have been guillotined.

**Deputy Simon Coveney:** That was because we could not get speakers from the other side of the House.

**Deputy Micheál Martin:** Contrary to the democratic revolution promised, this is arrogance and cynicism on a breath-taking scale. We are talking about serious legislation such as the property tax and the social welfare Bill

before Christmas. We could not even get amendments discussed on the cutting of the respite care grant or child benefit. It was the same with the property tax legislation, with no debate on any exemption. Most recently, we had the debate guillotined on legislation that dealt with cuts to public service pay and pensions. The pensioners were not consulted on the Haddington Road agreement with no one to represent them. Again, the legislation was rammed through the House to cut their pensions without debate.

**An Ceann Comhairle:** We cannot have a debate on this matter.

**Deputy Micheál Martin:** The Taoiseach wants to abolish the Seanad.

**An Ceann Comhairle:** I am sorry, Deputy, but we are not doing that just yet. We are dealing with how we will take the social welfare Bill.

**Deputy Micheál Martin:** This is the kind of Executive diktat that the Taoiseach wants to become the order of the day.

**Deputy James Bannon:** So did Fianna Fáil.

**Deputy Simon Coveney:** Fianna Fáil wanted to abolish the Seanad, too.

**Deputy Micheál Martin:** The commitments made in the programme for Government have been breached. These are commitments the Minister for Agriculture, Food and the Marine made, with the Taoiseach and the Labour Party.

**Deputy Barry Cowen:** The Government received a mandate for it. Do they remember that?

**Deputy Micheál Martin:** There is meant to be a gap of two weeks between every Stage. The Government has some neck.

**Deputy Michael Healy-Rae:** What happens then?

**Deputy Micheál Martin:** The property tax legislation was dealt with in 24 hours and the social welfare Bill in 48.

**An Ceann Comhairle:** I am sorry, but only a brief comment is allowed. The Deputy should not abuse the freedom we have given him.

**Deputy Micheál Martin:** The Government has clearly ignored or abandoned the programme for Government.

**An Ceann Comhairle:** The Deputy has made his point.

**Deputy Micheál Martin:** That is why we are opposing the guillotining of the debate on the Social Welfare and Pensions (Miscellaneous Provisions) Bill. It is not in compliance with the programme for Government and is unnecessarily restricting debate, contrary to all the commitments and promises the Government made at the outset of this Dáil session.

**Deputy Aengus Ó Snodaigh:** I too want to oppose the proposal to have a guillotine on the debate on this legislation which has only been published and to which even up to yesterday the Minister was publishing amendments. This Government since it came to power would put the French Revolution's Committee of Public Safety and its use of guillotines in the tuppence ha'penny place, as it would Fianna Fáil Governments in the past because they had-----

**Deputy Billy Kelleher:** Do not go there. Do not bring up the past.

**Deputy Aengus Ó Snodaigh:** Both parties in Government used to be on this side of the House and they criticised the then Fianna Fáil Government for the exact same policy, of which Deputy Dooley and his colleagues were guilty in the past.

**Deputy Timmy Dooley:** When it comes to the guillotining of Bills that has been done on the opposite side of the House.

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**Deputy Aengus Ó Snodaigh:** More than 50% of the legislation that has been produced by this House has been guillotined and that has prevented debate. The Minister for Social Protection, Deputy Joan Burton, said when she was on this side of the House that the dependence on guillotines was patently and blatantly unfair, was an insult to the work of the House, was wrong practice and procedure and asked whether the then Government was effectively ruling by guillotine, which was the same as ruling by decree. She also said “it is important to allow sufficient time and respect for the House rather than simply having a guillotine and a jackboot approach to finishing off the legislation in the manner proposed”. That is what the Minister who is behind this legislation said. She has not demonstrated one iota the reason for the rush to have this legislation passed by today. It is not time sensitive. We are not at the end but in the middle of a session. It was blatantly wrong for Taoiseach to say as he said a moment ago that legislation has to be passed by the end of this month. The House will not rise at the end of this month. The legislation is not time sensitive. The Taoiseach should lift the guillotine and look at his proposals in his programme for Government, his party’s manifesto and on the record as to what he and other members of his Government said when they were on this side of the House.

**The Taoiseach:** I would first say that if the Deputy checked the record he would find that in the past 12 months at least 12 to 16 Bills collapsed in this House because there were no speakers from the Opposition.

**Deputy Aengus Ó Snodaigh:** A guillotine was not required.

**Deputy Timmy Dooley:** They were not guillotined and the debate was allowed.

**Deputy Billy Kelleher:** That is the idea - the debate was allowed-----

**The Taoiseach:** Deputy Kelleher might suddenly come to life and say this is not true but it is true. I can produce the list.

**Deputy Billy Kelleher:** -----and that is as it should be.

**An Ceann Comhairle:** Can I have some quiet?

**The Taoiseach:** There were not sufficient speakers from the Opposition to fill the time. That is the first point.

**An Ceann Comhairle:** Deputies, please.

**The Taoiseach:** Deputy Martin mentioned the matter of the abolition of the Seanad. I would love to see a situation where we could have a position where the Government would send the heads of Bills to committees.

**Deputy Micheál Martin:** I am not talking about heads of Bills; I am talking about the guillotining that the Taoiseach has been doing since he came into office. Stop the nonsense and the blather.

**An Ceann Comhairle:** Will the Deputy allow the Taoiseach to reply without interruption?

**Deputy Micheál Martin:** We have had two and a half years of him going on about this.

**The Taoiseach:** The Deputy never listens.

**Deputy Micheál Martin:** Act out what you preach.

**The Taoiseach:** You never listen.

**An Ceann Comhairle:** Deputy Martin, please.

**Deputy Micheál Martin:** A Cheann Comhairle, it is a bit much.

**An Ceann Comhairle:** I protected the Deputy in terms of his right to make his point and I will equally protect the Taoiseach in making his reply to the Deputy.

**The Taoiseach:** The Deputy might listen to what he voted for, if he wants some of his own medicine back here.

**Deputy Micheál Martin:** No. Any legislation I brought into the House was dealt with properly.

**An Ceann Comhairle:** Deputy, please.

**Deputy Micheál Martin:** I welcomed debate on amendments.

**The Taoiseach:** Of course you did. The Deputy supported a position when a former Member, Mary O'Rourke, whom I heard on the radio recently, brought in a report about the Seanad. The Deputy could have implemented all those reforms if he had wanted to do so. He and a former Tánaiste, Michael McDowell, had three years to do that but they did nothing about it. Second, he put in place a system where he attempted to buy off all the committee chairmen, the committee vice-chairmen and the convenors and he had 20 such committees and 20 Ministers of State. He supported all of those, including having more politicians in here. He wanted 180 politicians in this House not 166 or fewer.

**Deputy Micheál Martin:** Answer the point.

**The Taoiseach:** The Fianna Fáil working group that the Deputy voted for and supported wanted 15 minutes for the Order of Business, two hours advance notice of Leaders' Questions and holidays from mid-July to mid-September.

**Deputy Barry Cowen:** Put down the script and answer the question.

**The Taoiseach:** Deputy Martin was centrally involved in the discussions with the former Minister, John Gormley, and the former Minister, Tony Killeen, about the position in so far as the abolition of Seanad Éireann was concerned, but when he had the opportunity he did not deal with it.

**Deputy Micheál Martin:** What are you talking about?

**The Taoiseach:** I am talking about the Deputy and the abolition of the Seanad.

**Deputy Micheál Martin:** Answer the question about the guillotining of the debate on this Bill.

**The Taoiseach:** In fairness Deputy Martin, the best comment I heard about this came from Deputy McGrath-----

**Deputy Micheál Martin:** He did not ask the Taoiseach the question.

**The Taoiseach:** -----à la Winston Churchill, when the Deputy said we will fight this on the beaches, on the streets, in the constituencies, in the House and around the country. Deputy McGrath will be welcome in all parts of the country to deal with his proposition.

*(Interruptions).*

**The Taoiseach:** I also listened to Deputy Ó Snodaigh talking about the same thing and I recall Deputy Doherty, in his strident comments, saying that he had used the opportunity in the Seanad to further the causes and the politics of his party. He said some people might find that hypocritical. He went in there, he said, to use the system but at the same time he called for its abolition. Deputy Ó Snodaigh should not come in here and preach something different.

*(Interruptions).*

**An Ceann Comhairle:** Order, please.

**The Taoiseach:** I want to be clear on this, I will deal with the question of guillotines. We have had at least 16 Bills where the Opposition failed to provide sufficient speakers. We are going to move to a position very shortly-----

*(Interruptions).*

**An Ceann Comhairle:** If the Members are not prepared to listen, I am going to put the question.

**The Taoiseach:** -----where this Dáil will have to work far more effectively, have to use the hours we are in here far better in terms of both the legislation and the work that we have to do.

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**Deputy Timmy Dooley:** Does that mean that the Taoiseach does not want to answer the question about the use of the guillotine?

**The Taoiseach:** I give Deputy Martin my assurance that I would like to see a position where-----

**Deputy Micheál Martin:** Is the Taoiseach going to guillotine more Bills?

**The Taoiseach:** Bills were guillotined previously. Time after time the Opposition has failed to provide sufficient speakers for the debate to extend to even the time that was proposed for a guillotine.

**Deputy Bernard J. Durkan:** Hear, hear.

**Deputy Joe Higgins:** That is nonsense.

**Deputy Micheál Martin:** In the case of the property tax we had speakers queuing up to speak on amendments to it.

Question put: "That the proposal for dealing with No. a19 be agreed to."

The Dáil divided: Tá, 83; Níl, 43.	
Tá	Níl
Bannon, James.	Boyd Barrett, Richard.
Barry, Tom.	Broughan, Thomas P.
Burton, Joan.	Calleary, Dara.
Butler, Ray.	Collins, Joan.
Buttimer, Jerry.	Colreavy, Michael.
Byrne, Catherine.	Cowen, Barry.
Byrne, Eric.	Crowe, Seán.
Cannon, Ciarán.	Doherty, Pearse.
Carey, Joe.	Donnelly, Stephen S.
Coffey, Paudie.	Dooley, Timmy.
Collins, Áine.	Ellis, Dessie.
Conaghan, Michael.	Ferris, Martin.
Conlan, Seán.	Flanagan, Luke 'Ming'.
Connaughton, Paul J.	Fleming, Sean.
Conway, Ciara.	Fleming, Tom.
Coonan, Noel.	Grealish, Noel.
Corcoran Kennedy, Marcella.	Healy-Rae, Michael.
Coveney, Simon.	Higgins, Joe.
Creed, Michael.	Kelleher, Billy.
Daly, Jim.	Kirk, Seamus.
Deasy, John.	Kitt, Michael P.
Deenihan, Jimmy.	Mac Lochlainn, Pádraig.
Deering, Pat.	McConalogue, Charlie.
Doherty, Regina.	McDonald, Mary Lou.
Donohoe, Paschal.	McGrath, Finian.
Dowds, Robert.	McGrath, Mattie.
Doyle, Andrew.	McGrath, Michael.
Durkan, Bernard J.	McGuinness, John.
English, Damien.	McLellan, Sandra.
Farrell, Alan.	Martin, Micheál.

*Dáil Eireann*

Feighan, Frank.	Moynihan, Michael.
Ferris, Anne.	Murphy, Catherine.
Fitzgerald, Frances.	Naughten, Denis.
Fitzpatrick, Peter.	Ó Caoláin, Caoimhghín.
Flanagan, Terence.	Ó Snodaigh, Aengus.
Griffin, Brendan.	O'Brien, Jonathan.
Hannigan, Dominic.	O'Dea, Willie.
Harrington, Noel.	Ross, Shane.
Harris, Simon.	Shortall, Róisín.
Hayes, Tom.	Smith, Brendan.
Hogan, Phil.	Stanley, Brian.
Humphreys, Heather.	Tóibín, Peadar.
Humphreys, Kevin.	Troy, Robert.
Keating, Derek.	
Kehoe, Paul.	
Kenny, Enda.	
Kenny, Seán.	
Kyne, Seán.	
Lawlor, Anthony.	
Lynch, Kathleen.	
Lyons, John.	
McCarthy, Michael.	
McEntee, Helen.	
McGinley, Dinny.	
McHugh, Joe.	
McNamara, Michael.	
Maloney, Eamonn.	
Mathews, Peter.	
Mitchell, Olivia.	
Mitchell O'Connor, Mary.	
Mulherin, Michelle.	
Murphy, Dara.	
Nash, Gerald.	
Neville, Dan.	
Nolan, Derek.	
Ó Riordáin, Aodhán.	
O'Donnell, Kieran.	
O'Donovan, Patrick.	
O'Mahony, John.	
O'Sullivan, Jan.	
Penrose, Willie.	
Phelan, Ann.	
Phelan, John Paul.	
Rabbitte, Pat.	
Ring, Michael.	
Shatter, Alan.	

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Sherlock, Sean.	
Stagg, Emmet.	
Stanton, David.	
Tuffy, Joanna.	
Twomey, Liam.	
Varadkar, Leo.	
Walsh, Brian.	

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

Question declared carried.

**An Ceann Comhairle:** Is the proposal for dealing with Private Members' business agreed to? Agreed.

### **Employment Equality Act 1998 (Section 12) (Church of Ireland College of Education) Order 2013: Referral to Joint Committee**

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

That the proposal that Dáil Éireann approves the following Order in draft:

Employment Equality Act 1998 (Section 12) (Church of Ireland College of Education) Order 2013,

a copy of which Order in draft was laid before Dáil Éireann on 4 June 2013, be referred to the Joint Committee on Education and Social Protection, in accordance with Standing Order 82A(4)(j), which, not later than 25 June 2013, shall send a message to the Dáil in the manner prescribed in Standing Order 87, and Standing Order 86(2) shall accordingly apply.

Question put and agreed to.

### **Cork Prison Development: Referral to Joint Committee**

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

That the proposal that Dáil Éireann approves the development of a prison in the townland of Rathmore and city of Cork, in respect of which copies of documents, as specified in section 26(2) of the Prisons Act 2007 (No. 10 of 2007) were laid before Dáil Éireann on 7 June 2013, be referred to the Joint Committee on Justice, Defence and Equality, in accordance with Standing Order 82A(4)(j), which, not later than 25 June 2013, shall send a message to the Dáil in the manner prescribed in Standing Order 87, and Standing Order 86(2) shall accordingly apply.

Question put and agreed to.

### **Social Welfare and Pensions (Miscellaneous Provisions) Bill 2013: Motion to Discharge Order for Referral to Select Sub-Committee**

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

That the Order of the Dáil of 30th May 2013, referring the Social Welfare and Pensions (Miscellaneous Provisions) Bill 2013 to the Select sub-Committee on Social Protection, be discharged and that the Bill be considered in Committee of the whole Dáil on Tuesday, 11th June 2013.

Question put and agreed to.

## **Topical Issue Debate**

### **Pyrite Remediation Programme Implementation**

**An Ceann Comhairle:** As this is Deputy Helen McEntee's first Topical Issue, I wish her every success.

**Deputy Helen McEntee:** Thank you, a Cheann Comhairle, for allowing me to raise this Topical Issue. I also thank the Minister for the Environment, Community and Local Government for being present in the Chamber. I know this issue was and has been raised on numerous occasions by my late father and other Deputies. It is important for us to keep the ball rolling on it. As the remediation process starts, it is important that we keep it moving. It is great that we are at the stage we are at and I thank the Minister for his help on the matter to date. I know it is a very important issue for him, as it is for me and many others. I do not think many people thought we would reach the current position, with an end in sight.

The welcome announcement before Christmas of the establishment of the Pyrite Resolution Board was a great Christmas present for many home owners. Having met the chairperson and members of the board, it is fair to say their dedication and commitment are obvious. They want to see this through as much as anybody else does. Having said that, we are not there yet. No homes have been fixed and we still have a long way to go.

The website of the Pyrite Resolution Board, which was launched just two weeks ago, is a welcome addition to the process. The read-only website summarises the scope of the scheme, the qualification criteria and the various steps involved in the remediation scheme. I understand the next step will see the website going live. The board will be able to begin accepting applications at that point. After this has happened, I hope the main priority will be to put funding in place. There is no point in going through all of this if we have no money to fix the homes affected. I am well aware that a non-profit company, Pyremco, which was established to oversee the remediation process is drawing down a loan from the banks involved. Obviously, the initial loan will only be able to go so far. We need to ensure the pyrite levy Bill is passed before the summer recess. I am concerned that delays will occur, as this tends to happen with any new scheme. I hope this will be one less delay for us to have to worry about. As we know, it took some time for this problem to come to the forefront and I firmly believe it will take a long time to go away, if it ever will. We need to ensure funding is available in the years to come in order that it will be available to those who may find pyrite in their homes in the future.

As I have mentioned, this issue has been ongoing for six or seven years. Home owners still have some problems, unanswered questions and fears after all that time. In that context, I would like to put three proposals to the Minister. I urge him to consider them and consult the Pyrite Resolution Board on them. First, I wish to make a proposal regarding the three categories - red, amber and green - in the three-tier system. We hope approximately 1,000 homes will fall into the red category initially. However, there is a great deal of confusion about those in the amber category. I ask the Minister to consider moving straight to the amber category when all the homes in the red category have been remediated and fixed. The homes in the amber category should not be allowed to deteriorate until they reach a condition that would qualify them for inclusion in the red category.

Second, I would like to make a proposal regarding those who have to organise their own accommodation initially and, therefore, face an extra level of strain and pressure. They are already paying a great deal of money for homes which are, in essence, worthless. I wonder whether the Minister will consider providing some assistance for those who might not be able to afford this.

Third, I ask the Minister to consider reimbursing those who have already fixed their homes. I am aware that the cases of the small number of people in this category have been raised previously. A number of home owners in County Meath have already fixed their homes at great cost and they have had to remortgage their homes. I ask the Minister to consider the proposals I have made.

**Minister for the Environment, Community and Local Government (Deputy Phil Hogan):** I thank the Deputy for raising this issue which is very important for her and the other Deputies who represent Dublin North and the Meath constituencies.



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Following the Government's recent approval of the general scheme of a pyrite remediation Bill, work is under way to develop the legislation as a matter of urgency. It is my intention that it will be published and enacted in the shortest possible timeframe. I look forward to the co-operation of all Members of the House in this regard. The advancement of proposals for homes in the red category mentioned by the Deputy is a priority for me. In accordance with the general scheme, the Bill will provide for the imposition of a levy on the quarrying and the non-life insurance sectors, as recommended in the report of the independent pyrite panel in July 2012. The report outlines a means of providing the funding necessary for the remediation of pyrite-damaged dwellings where no other forms of redress are available to the affected home owners. The Bill will also aim to establish the Pyrite Resolution Board on a statutory basis. The broad remit of its role will require a strong corporate governance structure to be in place to ensure the public interest and the particular interests of the affected home owners is best served.

The Pyrite Resolution Board has made excellent progress in developing the scope and detail of a scheme, including the terms and conditions of the scheme dealing with eligibility, assessment criteria, procedures and priorities, etc. Answers to many of the questions asked by the Deputy can be found in the conditions of the board's scheme. The Pyrite Resolution Board recently launched the initial phase of its website, [www.pyriteboard.ie](http://www.pyriteboard.ie), on which it provides an outline of the proposed remediation scheme, including the scope of the scheme, the application process and detailed guidance and information for home owners on how to identify significant pyritic damage and the steps involved in the assessment of such damage. The information on the website will give affected home owners sufficient knowledge and direction to enable them to consider whether they qualify for the scheme and what steps they have to take to avail of it. The proposed scheme will provide for the remediation of private dwellings with significant pyritic damage, where the home owners have no other viable option to have pyrite remediation works undertaken. The next phase of the board's website will include an online application system. It is intended that this will be available in July. Affected home owners can now register their interest on the website and will be notified when the application system goes live.

The three construction stakeholders - the Construction Industry Federation, the Irish Concrete Federation and HomeBond - are currently in the process of establishing a not-for-profit entity to operate the pyrite remediation programme under the direction and supervision of the Pyrite Resolution Board. Discussions are also continuing with the financial institutions with a view to making a loan facility available to the not-for-profit entity being set up by the construction stakeholders to facilitate the early commencement of a remediation scheme.

**Deputy Helen McEntee:** I thank the Minister for his response. With regard to the statement that discussions are continuing with a number of the financial institutions, can the Minister provide clarity as to when this might happen? As I said, one of the most important points in regard to keeping the issue moving is to ensure we have funding in place. The Minister might explain this point.

On another question, while there are obviously many charges we do not want home owners to incur, there is a fear that people will be charged above what they should be charged with regard to prices for the initial building condition assessment. Is it possible to consider some sort of regulation of this to ensure as little cost as possible is incurred by the home owners?

**Deputy Phil Hogan:** The Pyrite Resolution Board is very conscious of the need to minimise costs to home owners who wish to avail of this scheme. I point out to the Deputy, however, that the State is not liable in any way. Were it not for the political interest shown by Deputies in the House and by myself, as Minister, we would not have a scheme at all. This is something people often do not realise. The financial institutions are prepared to make a contribution. We have been discussing figures but this must now be referred to the credit committees of the respective financial institutions in the next short while, and I expect a positive outcome to those matters before the end of this month.

## Water and Sewerage Schemes Provision

**Deputy Aodhán Ó Riordáin:** I thank the Ceann Comhairle for allowing me to raise this issue and thank the Minister for being here in person to discuss it. The Minister has seen the reports that Fingal County Council has identified the site at Clonsaugh as the potential site for its sewage treatment plant. I am sure he is familiar also with the concerns of local politicians and of residents' groups. Effectively, what we have here is Fingal County Council choosing the least contentious site for itself because the only residents it will affect around that site are actually Dublin City Council residents in a different council area. This is where the Minister's Department has

to step in. When there are two competing interests between Fingal County Council and Dublin City Council, there has to be a higher authority that can adjudicate between the two situations. I know of residents in Darndale, Priorswood and Clonshaugh who are furious with the potential for a Fingal-based plant to impact on their lives.

Most people have always argued for a series of smaller plants, and seven is the number that has been most agreeable. From the point of view of the Department of the Environment, Community and Local Government, does the Minister not believe that to have seven plants would be more environmentally sound and would make more sense? The plant would also impact on a local GAA club, Craobh Chiaráin, and its lands. The idea of having a plant the size of Croke Park at that location is surely environmentally unwise, does not take into account the 10,000 submissions that were made from Fingal residents and certainly does not take into account the 2,500 homes that would potentially be beside this site.

**Acting Chairman (Deputy Ciarán Lynch):** The Deputy should conclude.

**Deputy Aodhán Ó Riordáin:** The main point I want to register with the Minister is that, in my view, Fingal County Council has made a decision which is politically advantageous for it because nobody in Fingal will necessarily be affected by this plant being beside them as it is Dublin City Council residents who will be affected. I would like to get the Minister's response on that point.

**Deputy Barry Cowen:** As has been said, the construction of the €500 million sewage treatment plant at Clonshaugh was confirmed by Fingal County Council yesterday. It will serve up to 700,000 people across 26 km from south Louth to the greater Dublin area. The proposal has stirred a high level of opposition and there are a number of real procedural problems with how the Government has dealt with this issue so far. Despite the efforts of the Taoiseach earlier today to evade questions and shirk responsibility, it lies under the remit of the Minister for the Environment, Community and Local Government to provide funds for this project, so Deputy Hogan holds the purse strings on this issue and he determines if funding should be made available - it is called political accountability.

The 12,000 residents of the area who have objected to this location have been completely ignored heretofore. The Minister has actually refused to meet the groups of residents and listen to their concerns, despite the fact €18 million of taxpayers' money has already been spent on the project. The refusal to meet is particularly unjustifiable given the scale of the problems with the scheme. It is only to provide a secondary treatment of sewage as opposed to a tertiary treatment model, leaving it well below international standards. I remind the House that the Minister for Public Expenditure and Reform, Deputy Howlin, previously stated he would investigate the matter and would seek to have a cost-benefit analysis of the proposal prepared. He has since, like the Taoiseach earlier today, washed his hands of it. I hope the Minister, Deputy Hogan, will roll up his sleeves and not do likewise. Will he commit to a meeting with the residents groups? Will he commit to undertake a cost-benefit analysis of the scheme before he releases funds for it or will he blindly accept a *fait accompli*? Will he not exercise the sort of leadership we expect and exercise conciliation and negotiation rather than imposition, which appears to be the mantra of the Taoiseach and the Government in recent times?

**Deputy Phil Hogan:** I thank Deputies Ó Riordáin and Cowen for raising this important issue. The greater Dublin drainage project is a critical wastewater project which will facilitate employment and economic growth in the wider Dublin region, not just in one local authority area, and contribute to improving and protecting the environment. From extensive examination over many years, it is clear there will be insufficient drainage and wastewater treatment facilities in the region by 2020 if the project is not progressed at this stage.

This project was part of the greater Dublin strategic drainage study, for which a strategic environmental assessment was completed in 2008. This assessment, which was a systematic evaluation of the likely significant environmental effects of implementing the project, was subject to a statutory public consultation process. In March 2011, Fingal County Council appointed consultants to prepare a preliminary report and environmental impact assessment for the project. In October 2011, as part of the alternative sites assessment and route selection report, Fingal County Council identified nine potential land parcels in the northern part of the greater Dublin area within which a proposed regional wastewater treatment plant could potentially be located, along with a marine outfall and an orbital drainage system.

The council carried out an eight week non-statutory public consultation seeking views on the proposals and the land parcels. These nine land parcels were then assessed as potential locations in which to site the regional wastewater treatment plant. The routes for the orbital drainage system and the marine outfall pipe locations were also assessed. Site-specific information, more in-depth desktop research and detailed site surveys, as well as

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feedback from the public, were used to assist in identifying the locations with the least impact under 15 criteria. Of these nine land parcels, three sites were then identified by the council as emerging preferred site options in the alternative sites assessment and route selection report. The three emerging preferred site options were located at Annsbrook, Clonshaugh and Newtowncorduff. A new eight-week non-statutory public consultation ran from May to July 2012. As part of this process, four open days were arranged by the council where the public could meet with the project team and discuss the report.

Following consideration of all submissions, Fingal County Council yesterday announced that its consultants have published a report entitled, The Alternative Sites Assessment and Routes Selection Report Phase 4: Preferred Sites and Routes Report, for the greater Dublin drainage project. The report details the process used to appraise the three short-listed site options and identifies the preferred site option for the development at Clonshaugh. Now that the preferred site is identified, the council will prepare detailed plans and complete an environmental impact statement. This EIS, together with a planning application under the strategic infrastructure Act, will be submitted to An Bord Pleanála. An Bord Pleanála will carry out its own statutory public consultation on the project, which typically involves an oral hearing. In advance of that, I understand the project team is holding public consultations over the next eight weeks to seek feedback on what should be considered in the EIS.

In response to Deputy Cowen, I point out that if I was to meet residents while the matter was about to be referred to An Bord Pleanála, I would certainly be accused of political interference. I have refused to meet residents because I am statutorily part of the process as Minister for the Environment, Community and Local Government and, therefore, cannot meet any of the residents.

**Deputy Aodhán Ó Riordáin:** I thank the Minister for his reply. I take issue with the suggestion that there has been an extensive consultation process because, as I have already said, the bulk of the residents who will be adjacent to this proposed site in Clonshaugh are resident in the Dublin City Council area and have not been involved in any consultation process undertaken by Fingal County Council. There is a suspicion that this location was chosen purely because it would not have an impact on any residents Fingal County Council is charged with looking after.

I reject the Minister's statement. Given that the funding is coming from his Department, we must question the construction of something as large as Croke Park in a place such as Clonshaugh and the environmental implications thereof, because it will surely be shot down by Europe at the end of the day. Why are we waiting for that process to be completed instead of looking at a more low-scale development, such as the proposal for seven plants across that area to facilitate what we are trying to do? The vast majority of residents who have contacted my office about this colossal plant have not been consulted about it. We need to look again at what I consider to be a wrong-headed project.

**Deputy Barry Cowen:** I thank the Minister for his response. I do not disagree with the process that has emerged since 2008 in respect of the necessity for a drainage scheme. I do not question the chronological series of events that has evolved since then concerning preferred route selection and the public consultation process that emanated from that. Before the Minister gives his sanction to and commits the funding - in addition to the €18 million already in place - for the next stage of this development, which is the preparation of a detailed environmental impact statement that will be submitted to An Bord Pleanála, I ask him to take account of the representations made to members of my party in the greater Dublin area and public representatives within his own party and that of his coalition partners who question the manner in which the consultation process was conducted. Many feel they did not have a meaningful part to play in that process. They say they need a meeting with the Minister to be updated about the process and for the Minister to reaffirm the consultation process as being beyond reproach. If that is the case, the Minister should sit down with them and tell them so they can be satisfied that every effort has been made by all those who represent the State in respect of the funds that are spent on behalf of the taxpayer to achieve the desired result.

**Acting Chairman (Deputy Ciarán Lynch):** Thank you, Deputy.

**Deputy Barry Cowen:** The Minister should not ignore the feelings of people and the representations being made across all political parties on this issue. He should show the sort of leadership we expect from him as Minister with responsibility in this regard.

**Acting Chairman (Deputy Ciarán Lynch):** Before the Minister replies, I remind Deputy Cowen that when the Chair is speaking to him, he should not ignore it. I ask him not to speak over me and will note it for future reference. He will not do it again.

**Deputy Phil Hogan:** It is clear from what Deputies Ó Riordáin and Cowen have said that there will be unease about where any plant is located. As a public representative, I am not immune to that. However, it is also clear that we need the facilities. We will have difficulties with job creation and opportunities in the greater Dublin area if we do not invest in infrastructure such as wastewater treatment systems in the years ahead. No matter what location is chosen, there will obviously be some concerns at local level. A process was laid down by various planning and environment Acts when Deputy Cowen's party was in government and it was laid down for a good reason. If all politicians were to be involved in making decisions about the siting of these facilities, in many cases, developments would never happen. It is an independent process that involves a detailed consultation programme. I have sympathy with what Deputy Ó Riordáin said about not being consulted, but he will get another opportunity because the planning application must be lodged, An Bord Pleanála will be involved and there will be another consultation period during which people can make submissions. That is the way for people to indicate their concerns about these matters. These are the devolved statutory functions laid down under the planning Acts over the years. I can certainly list the necessary processes that must be completed for the benefit of the Deputies if they wish, but as somebody who just provides the funding for a project once it goes through the various stages, including An Bord Pleanála, my hands are tied.

### **Pupil-Teacher Ratio**

**Deputy Shane Ross:** I wish to share time with Deputy Mary Mitchell O'Connor.

**Acting Chairman (Deputy Ciarán Lynch):** The Deputies have two minutes each.

**Deputy Shane Ross:** And we have one minute for a reply.

**Acting Chairman (Deputy Ciarán Lynch):** One minute each.

**Deputy Shane Ross:** As many others in this House have done, I represent some very unhappy parents and children in fee-paying schools. They are unhappy because they see the pupil-teacher ratio being raised to 23:1 in September, with the intention of another increase - possibly to 27:1 - by 2015, and because they see themselves as victims of an ideological policy that makes no sense and a Labour Party plan, based only on ideology, to remove all public funding from private schools as soon as possible.

The idea that private schools are necessarily the privilege of the elite is not always true. In some cases it is true that only some people can afford it, but in many other cases parents make great sacrifices. They save, scrimp and do not do things other parents do in order to educate their children in the way they feel is best for them. This is particularly true in schools that have a different ethos from the majority. I am referring to Church of Ireland schools and schools of other religions and denominations. In these cases, parents feel that because that they have such little choice, they must send their children to schools where that ethos is predominant. Twenty out of the 55 affected schools are fee-paying and they feel they are being discriminated against. What we need is an assurance from the Minister that they are not threatened and will not be treated in this way and that fee-paying parents are making a contribution to the State. If this trend continues, the State will be landed with more expense rather than less.

**Deputy Mary Mitchell O'Connor:** I thank Deputy Ross for sharing time. Parents and pupils living in the constituency of Dún Laoghaire have a serious problem because they do not have the choices enjoyed by parents throughout the country when it comes to sending their children to voluntary secondary schools, community schools or VEC schools. Due to a historical overhang and through no fault of their own, many parents have to trump up for their children's education. Many schools in my area did not enter the voluntary system in the 1960s. Therefore, parents are forced to pay in order for their children to access second-level education.

*6 o'clock*

Of course, many parents choose to send their children to privately funded schools. However, many of my constituents have lost their jobs, taken cuts in their salaries, are paying huge mortgages and have paid the household charge. They are not immune to the recession and quite honestly, many can no longer afford to pay for their children's education. For example, in Navan town, parents have a choice of four free voluntary schools in the town and they also have access to schools in Dunshaughlin, Trim, Kells and Nobber. In Tuam town, parents have a choice of four free voluntary schools. However, in my area with a population of approximately 107,000, second level pupils have a choice of four to five free voluntary schools in the whole of the Dún Laoghaire constituency

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area. I also wish to draw the attention of the Minister and to argue on behalf of schools of minority faith in my constituency and throughout the country which, for historical and geographical reasons, will be negatively affected by a pupil-teacher ratio which will be much higher than in other schools. This is unjust and unfair. Parents have paid their taxes on their incomes and they should be able to spend their hard-earned cash on their children's education without their children being subjected to larger classes. I ask the Minister to accept these arguments against any further increase in the pupil-teacher ratio for private schools.

**Minister of State at the Department of Education and Skills (Deputy Sean Sherlock):** I thank the Deputies for giving me the opportunity to outline to the House the position on this issue. The Government has protected front-line services in schools to the greatest extent possible in the recent budget. Therefore, there will be no reduction in teacher numbers in primary schools and in free second level schools for the 2013 to 2014 school year. The DEIS scheme for disadvantaged schools is also fully protected with no overall changes to staffing levels or funding as a result of the budget. At post-primary level, a two-point increase in the pupil teacher ratio in fee-charging second level schools will be introduced in September 2013. This is in order to promote fairness in funding second level schools.

There are currently 55 schools out of 723 post-primary schools charging fees ranging from €2,550 to €10,065 for day pupils. At present, the State pays the salaries of one teacher for every 21 pupils in these schools compared with one teacher for every 19 pupils in schools in the free education scheme. A ratio of 18.25 pupils to one teacher, applies in DEIS schools. This will rise to 23:1 in fee-charging schools from September 2013.

However, these schools have the resources, through fees charged, to employ teachers privately, an option that is not available to schools in the free education scheme. A report on the analysis of the tuition income of fee-charging schools carried out by the Department was recently published. It shows these schools have €81 million in discretionary income that is not available to schools in the free scheme. It is important to note that the report does not contain any policy proposals at this stage. However, even after the budget changes are implemented, the discretionary income available to these schools will still be quite considerable.

There are some concerns within the Church of Ireland community about the recent budget measure affecting fee-charging schools. This Government recognises the importance of ensuring that students from a Protestant or reformed church background can attend a school that reflects their denominational ethos while at the same time ensuring that funding arrangements are in accordance with the provisions of the Constitution. The issue of providing education for widely dispersed and small local communities does present a particular challenge, especially where enrolment is declining to single figures. The Government wishes to foster pluralism in school provision and regards supporting small communities, including minorities to maintain their schools as being part of that policy.

With regard to the fee-charging Protestant schools, an arrangement exists whereby funding is provided by my Department to the Secondary Education Committee, an organisation run by the churches involved in managing the Protestant secondary schools. The SEC then disburses funds to the Protestant fee-charging schools on behalf of pupils who would otherwise have difficulty with the cost of fees and who, in the absence of such financial support, would be unable to attend a second level school of a reformed church or Protestant ethos. Funding amounts to €6.5 million annually. This fund ensures that Protestant children who require financial support can attend a school of their choice. In conclusion, I wish to confirm that the Minister and Department officials will continue to engage with the relevant education sector stakeholders, including the Church of Ireland and boards of education on education provision for all areas.

**Deputy Shane Ross:** I thank the Minister of State for his reply which is full of aspiration and provides no comfort whatsoever, except fine words, about what the Government would like to do and how it recognises the ethos and the difficulties of the Church of Ireland schools and other schools. This train has already left the station in that Kilkenny College has already opted to go into the public sector and other Church of Ireland schools and minority schools and other fee-paying schools which are not Church of Ireland schools, are already considering going into the public sector. The consequences of this decision are simple. Whatever the effect on the ethos, the effect on the Exchequer will be detrimental. In depriving people of this right, the Minister is costing the taxpayer a significant sum. I refer to a PwC report which found that a saving of €3,500 was being made to the State for each privately-educated pupil. This is a kind of a win-win situation but for ideological reasons the Labour Party is kicking people in the teeth. When people are prepared to make this sacrifice, whether it is right or wrong, when they are prepared for a particular education for their children, the State should not kick them in the teeth but rather it should be grateful and it should say "Yes". I have been approached by schools like Wesley College in my constituency and other schools who see the Minister's particular attempts to take away money by the back door as

threatening their ethos and their future.

**Deputy Mary Mitchell O'Connor:** I will be very brief. The points I tried to make were that the parents in my constituency do not have a choice. They all scramble to try to get their children into the State-funded schools and if this is not possible, they have nowhere else to go. I am not exaggerating when I say that we have only four to five State-funded schools in the area. Our pupils have nowhere to go. The Minister of State can talk all he likes about the fund of €81 million available to the private schools but people in my constituency who have lost their jobs or who have taken substantial cuts in their salaries and whose children are 11 and 12 years of age cannot afford to pay and they have nowhere to go. What can I advise them, as their public representative? I was a school principal in an area and this was a constant problem. I have been assured by the new principal that the problem has got worse in the past years. Despite all the talk about what the private schools have in their funding, I am worried about the parents and the children and their education and not about the private schools, *per se*.

**Deputy Sean Sherlock:** Deputy Ross referred to five Protestant comprehensive schools which do not charge fees. Second level schools such as Kilkenny College and previously Wilson's Hospital, have demonstrated that they believe they can maintain and promote their Church of Ireland ethos through the free second level scheme. I have referred to the report and the analysis which we cannot dismiss. It shows clearly that €81 million of discretionary income is not available to schools in the free scheme and that there is a mechanism funded to the value of €6.5 million annually which allows for the disbursement of moneys through the SEC to pupils who would otherwise have difficulty with the cost of fees and, in the absence of financial support, be unable to attend a second level school of a reformed church or Protestant ethos. There are mechanisms in place. Fee-paying schools have been treated in budgetary terms in exactly the same way as all other religious ethos schools in a manner consistent with the Constitution. The Department is open to discussions with any fee-paying school of Protestant ethos on transitioning to the free scheme and will look at each case sympathetically and in detail.

## **State Examinations Issues**

**Deputy Eamonn Maloney:** We are all aware that the leaving and junior certificate examinations are taking place. We are also aware that there have been shortcomings in examination papers, as widely reported in the media. These shortcomings relate not only to the leaving certificate higher level maths paper but also to the junior certificate civics, social and political education paper. While we will all be concerned about this as citizens, the greatest effect is felt by the pupils and their parents who find themselves facing uncertainty about the errors in the examination papers. The State Examinations Commission has a good run-in period of 12 months to organise the examinations. There is something amiss about the fact that it has not been able to carry out a simple task within this period and produce examination papers which are accurate and guard against the mistakes we have seen. I have no confidence in it, not only on foot of the issues I have cited but other matters also. The Department should consider sacking the commission or undertaking a very strong review of its ability to carry out the functions with which it has been entrusted.

There has been some talk about the commission having the papers printed in another jurisdiction. I do not have a great problem with this as other member states do the same. There are very good reasons for having examination papers printed in another jurisdiction. However, I have an issue with the fact that while the commission has the papers printed at a cost to the taxpayer of €500,000, within days of the end of the examinations, private companies obtain, publish and sell them without paying any fee. Last year they made €3 million. I raised this issue two or three weeks ago.

**Deputy Anthony Lawlor:** While I welcome the Minister of State, I am disappointed that the Minister is not present to answer Members' questions on this and the last Topical Issue. I look forward to some form of Dáil reform which I hope will include a requirement that the senior Minister attend the House to deal with Topical Issues.

As we are dealing with the examinations issue, the Minister is fully aware that 50,000 students are sitting the leaving certificate examinations this year. I wish them all the best in the rest of their examinations. There was an increase in the number sitting the higher level maths paper from 11,000 last year to 15,000 this year, which was extremely welcome. Members have spoken to the Minister at the committee about the STEM subjects which I am also pushing strongly. We are trying to change the dynamic of the workforce and it is only through STEM subjects that we can lay the foundations for a sustainable working environment in the future. I want the Minister of State to relay to the Minister that one must be able to assure the students who sat the higher level maths paper and the

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CSPE paper at junior certificate level that they will be treated fairly. I studied higher level maths virtually until the leaving certificate examination and know how much pressure students are under in taking that subject. They should be given fair treatment in the marking of examination papers.

Will the Minister of State provide the House with an assurance that there will be no repeat of these issues during the rest of the examinations period? When the examinations are over, the State Examinations Commission must be brought before the Joint Committee on Education and Social Protection and thoroughly grilled about the way in which it let students down. It is all about trust. We trust students to work hard and deliver on subjects. Can the commission be trusted to deliver on examination papers?

**Deputy Sean Sherlock:** Context is everything and the overall examinations infrastructure in Ireland stands up to international scrutiny in terms of the level of educational attainment, etc. I acknowledge the validity of the points made by the Deputies that the number of errors in the examinations is a cause for concern. The State Examinations Commission has expressed its regret for the errors made. In response to Deputy Anthony Lawlor, I have a delegated function as Minister of State and have responsibility for the project maths curriculum, for example. As such, one could say the Deputy is addressing the line Minister on this issue. I take the point he is making which is important.

As we are in the midst of the examinations process, it is important to reassure pupils who went through this issue yesterday that the errors will be taken into account in the marking scheme. The State Examinations Commission sets the papers in an independent process, which is very much at arm's length from the Department. Issues arose yesterday, however, for which there must be a degree of accountability to the parent Department in the resolution of such issues into the future. As the Deputies said, what we must do now is ensure we get pupils through the rest of their examinations. We must ensure the remaining examination papers are robustly checked to avoid errors and that there is a reporting mechanism and a degree of accountability by the State Examinations Commission to the Department about what occurred in the papers referred to by the Deputies. From a logistical point of view, in a typical year the examinations involve over 116,500 candidates in over 4,900 main examination centres and 10,000 special centres, over 250 test instruments, 90 curricular and 15 non-curricular subjects, over 6,000 examiners, 3 million individual exam papers comprising over 34 million pages and just under 2 million test items. Notwithstanding that, errors still took place. If we acknowledge the errors took place, all we must do is ensure there is a degree of accountability. There must be accountability for why the errors took place and the reparations in terms of how we ensure it does not happen again.

I do not agree with the analysis that we should sack members of the State Examinations Commission, which has been an independent agency since 2003. I strongly believe there should be full accountability in a transparent way with regard to what happened to the papers. I am confident we will get the answers to the questions in due course. While the leaving certificate and junior certificate are ongoing, we should ensure students and parents are assured and remain confident the State Examinations Commission will take into account the errors made. The errors will be recorded and reflected in the marking scheme and no one will be at a disadvantage as a result of the errors. From the initial statement of the State Examinations Commission, I am confident that will take place.

**Deputy Eamonn Maloney:** I thank the Minister for the frankness of his reply. Exam time is one of the most distressing and stressful times for children. I do not know if it is as stressful as fighting a general election but that is an exercise for another day. Given the age profile of those undertaking leaving certificate and junior certificate exams, and the stress that exists, everything should be done to prevent what has happened from happening. I accept the State Examinations Commission is independent, which is quite right. It is very difficult to have full confidence in any commission, irrespective of its independence, given what has happened. I acknowledge the statement to which the Minister of State referred. The commission said it would rectify it, and I hope it will, and that it was sensitive about the matter. In my contribution, I said the only way of allaying these failures is for the people concerned to be sacked or for the Minister of State to consider a review of the operation. We should not be back here next year, having the same debate.

**Deputy Anthony Lawlor:** I thank the Minister of State for his reassurance with regard to the students who have taken the two exam papers. It is all about trust, which is something the State Examinations Commission must rebuild and part of that involves accountability. The best place for accountability is in the committee and I urge the commission to come before the Oireachtas Joint Committee on Education and Social Protection so that it can explain clearly how it will introduce checks and balances so that something like this does not happen again. I wish students the best in the days ahead.

**Deputy Sean Sherlock:** If we are sending a message from the House, the important thing is that we give the assurance that no student can be disadvantaged as a result of an error on the examination paper. I doubt any student is watching these proceedings but if their parents are watching or if this debate is reported, it is important to give them a sense of confidence that whatever errors occurred will be reflected in the marking scheme in a way that ensures students are not put at a disadvantage. I am confident that will be the case *vis-à-vis* how the State Examinations Commission will handle this matter. I have confidence in it in that sense.

I take on board what is being said in respect of a review. We need to get the students over the line for the remaining exams and give them a sense that this will be sorted out. There must be a degree of accountability and whether that involves an entire review is not something to go into at this stage. One must allow for some margin of error in anything one does in life. That is not to justify anything that happened but we must ensure that errors such as those in question 8 and in the CSPE exam, for example, do not happen again. Where fundamental errors occur, checks and balances should be put in place to ensure they are weeded out at an early stage and that there is a proper filtration process. At this juncture, I wish to reassure people that the marking scheme will reflect the difficulties students experienced in the exam and the time lost in terms of answering questions. That must be reflected in some compassionate way and I am confident it will be.

### **Message from Seanad**

**An Leas-Cheann Comhairle:** Seanad Éireann has passed the Criminal Justice Bill 2013, changed from the Criminal Justice (Money Laundering and Terrorist Financing) (Amendment) Bill 2013, without amendment.

### **Social Welfare and Pensions (Miscellaneous Provisions) Bill 2013: Committee Stage**

#### SECTION 1

**An Leas-Cheann Comhairle:** Amendments Nos. *a1* and *15a* form a composite proposal and may be discussed together.

**Minister for Social Protection(Deputy Joan Burton):** I move amendment No. *a1*:

In page 5, line 19, after “8,” to insert “15,”.

Effective debt recovery is a key aspect of my Department’s control policy. It creates a climate where people who have been overpaid know they have a responsibility to repay and that my Department will take appropriate steps to obtain recovery. The Comptroller and Auditor General has noted in recent audits of social welfare overpayments that the Department’s legal capacity to recover overpayment is limited. The Department has signalled to the Comptroller and Auditor General its intention to review its overall approach to overpayment recovery and explore alternative options for recovery. The sums involved are significant and amount to approximately €350 million. I introduced measures in the Social Welfare Act 2012 in respect of the recovery of social welfare overpayments by way of weekly deductions from a person’s ongoing social welfare entitlements. This provided for a deduction of an amount up to 15% of the weekly personal rate payable to a person on social welfare payment for the purpose of the recovery of an overpayment. These provisions came into effect at the end of January of this year and full figures about recovery from deductions for 2013 will not be available until the end of the year. However, early analysis indicates the new recovery provisions are increasing the amount recovered from deductions from ongoing payments. Recovery from deductions has increased by over 20% for the four months since the introduction of the measure, compared to 2012. The additional value is of the magnitude of €2.4 million. It is expected this will increase further as provisions are comprehensively applied through the remainder of the year.

The amendments I am proposing are aimed at further improving the Department’s ability to recover overpayments by giving additional powers of recovery in the case of overpayments by way of a notice of attachment to be put in place.

The new arrangements contained in amendment No. *15a* will allow for deductions from an overpaid person’s earnings of up to 15% of his or her net weekly wages. The amendment also provides for money held by the over-



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paid person in a financial institution to be attached for the purpose of offsetting the overpayment. This measure will be used in circumstances where a person has been actively engaged with by the Department but still refuses to co-operate in the repayment of the debt and where there is evidence of an ability to repay. In addition, a final demand must have issued to the person concerned and there must be no other or alternative recovery options available. The only other option available to the Department in these circumstances is civil court proceedings. This provision will be used as a more efficient and cost effective alternative to civil legal proceedings. Other jurisdictions have formalised systems of overpayment recovery by way of deductions from earnings. Most recently, in the United Kingdom the Welfare Reform Act allows the Department for Work and Pensions to recover overpaid benefits by way of deductions from an individual's earnings with effect from April 2013.

Amendment No. *a1* provides that the new overpayment recovery arrangements will come into force by way of a commencement order. The order will be made shortly after the enactment of the Bill and as soon as the necessary administrative arrangements have been made.

**Deputy Willie O'Dea:** Everybody agrees that it is desirable to recover social welfare overpayments. However, we also realise that the vast majority of overpayments made by the Department of Social Protection are as a result of honest mistakes made by the claimants and sometimes by the Department. Fraud accounts for a very small part of it. I have the percentages, but I do not have them to hand.

The Minister has said that since the provisions of the Social Welfare Act came into force the pace of recovering overpayments has increased. That might simply be due to the fact that the Department is collecting a higher percentage than it did hitherto. Generally, the amounts recovered hitherto were at a very low rate of €1 or €2 per week. Does the Minister have statistics for the average percentage being recovered at present? In other words, what percentage figure does the Department apply? Is it up to the full 15% or less? It might seem reasonable, but for somebody on the personal rate of jobseeker's allowance of €188 per week a deduction of 15% would amount to a great deal, particularly when the overpayment has occurred as a result of an honest mistake. Will the Minister give an indication as to the rate at which overpayments are being collected since the legislation came into force?

**Deputy Aengus Ó Snodaigh:** It is bizarre that such a huge change is being introduced to social welfare legislation at the last minute. There was no indication of this when we dealt with the issue of overpayments not long ago in the context of changing the legislation to allow for a greater amount of overpayments to be recovered from those still in receipt of social welfare payments. It is odd that this amendment is being introduced at this late stage and it is a substantial change. We have very little information and I thank the Department's officials for the little that is available. It is no more than what the Minister has stated. We do not have facts and figures and there is a range of questions that must be answered.

The corollary of this is that if one was in receipt of a social welfare payment which was underpaid for a period of four years and one goes back to work, can one apply to the Department for the money owed? In the case of persons who are in employment and paying tax, if a person is overtaxed, there is a limit to the number of years in which the person can claim tax back. The time period has been reduced over a number of years and I believe it is now down to four or five. It is limited. Is there a limit in this regard? Will it be open to people in the social welfare section to trawl back a number of years? They do this anyway in respect of persons in receipt of social welfare payments. However, in the past, when somebody finished with the social welfare system, it was a case of good luck to them and so be it from the social welfare inspector's point of view if the Department had missed out. It had made the mistake and it was put down to bad practice on its part. However, take the example of there being an overpayment for a period of ten years which would not be totally uncommon and the Department does not discover this until the person concerned has started in the workplace. If it is discovered that the person has been overpaid by €10 or €15, that would be a substantial sum of money. Yes, it would be a loss to the taxpayer, but it should have been discovered while reviews were being carried out. If it is discovered eventually, it could frighten the life out of somebody to be faced with a bill of €10,000 or €15,000 after leaving the social welfare system and starting work.

I can offer an example. It is not from the social welfare system but from Dublin City Council's rent section. Recently the Ombudsman found in favour of Dublin City Council's rent section. For a period of years one of Dublin City Council's local offices was not assessing applications properly. A total of 700 files were found to have underestimated the amount of rent people should have paid, or the 700 files were wrong. A substantial number of people received bills from Dublin City Council seeking the payment of arrears that amounted to up to €10,000. In some cases, it nearly caused a divorce, with partners falling out because one could say, "I gave you instructions to pay the rent; why have you not paid it?" It had other consequences in other cases. The tenants concerned could not have maintenance works carried out on their houses, could not buy the house from the council and could not trans-

fer. That is not the case in this instance, but my point is that these are mistakes made by the system. That occurred between 2007 and 2010 and it was only discovered late in 2011. If the system, despite its apparatus, rules and ability to review, fails to discover an overpayment over a period, there must be some mechanism whereby it is written off. I tabled an amendment containing the same proposal I made previously about an amnesty, but it was ruled out of order. There must be some cut-off date or mechanism, whereby the Department would not trawl back 20 years to find the tuppence ha'penny the person owed and multiply that figure by an interest amount and whatever else.

There is another aspect. If a person moves out of a Dublin City Council property and into his or her own property, he or she is supposed to clear the rent. If he or she does not do so, the council can pursue him or her through the courts. It also means the person cannot go back on the housing list until he or she clears the debt or finds some mechanism for doing so. That might have been a better approach than what the Minister is proposing with regard to a notice of attachment to somebody's wages, especially in the current climate.

The Minister stated that she takes into account people's wages and ability to pay. We were told there was no facility to gauge ability to pay in respect of the property tax but there is now provision for it in the social welfare legislation. The attachment notice provision is wrong. We should consider the circumstances of those who fall on hard times for a second time and end up on jobseeker's allowance, or citizens who, on reaching pension age, return to the social welfare system. The key is indicating in advance that moneys are owed, thus affording people a repayment opportunity so that the Department will not eat into a citizen's pension unknown to him or her.

I am concerned that we do not have all the answers here. The legislation arrived very late so I did not have enough time to peruse it or consult experts in the field, such as MABS, whose expertise was acknowledged by the Minister. I would like to know the view of MABS. It is dealing with some of the characters about whom the Minister is talking, namely, people who have been on social welfare and who proceed to work of some kind. Immediately on starting work, bills are slapped on them, despite the concept of making work pay. In the event of somebody else's mistake, they will suffer. In the vast majority, or 60%, of cases, overpayments are attributable to clerical error. In most cases, the error is not by the recipient. The recipient must suffer the consequences of somebody else's mistake, which affects his income.

If somebody knowingly seeks to defraud the system, he should be charged. That is the mechanism by which to recover the money. In each instance of fraud, the State should apply to the courts for full recovery not only of the moneys in question but also of the cost of taking the case. There might be occasions on which full recovery, if offered prior to going to court, would save the State and the individual money. This could be taken into account. Identity theft and the making of multiple applications in different names for social welfare benefits constitute fraud. There are other occasions on which a person may knowingly submit incorrect information to make a claim. If one knowingly leaves out a considerable asset, it is fraud. In most cases, however, those who are in receipt of an overpayment discover the mistake. The Minister has already changed the social welfare code to address the limiting of the amount that may be recovered weekly. The amount recoverable is now up to €27 from the full jobseeker's allowance, a substantial amount in this climate. Are there figures demonstrating the number of social welfare recipients who have had the maximum sum, €27, recovered on a weekly basis? It was indicated that the maximum does not always apply.

**Deputy Joan Burton:** I thank both Deputies for their comments. We actually need a reality check in regard to the problem of fraud, mistake and error, as it is described. The figures I have, from the Office of the Comptroller and Auditor General, are for 2011. Those for 2012 are still being examined by the office. In 2011, there were more than 63,000 overpayments, amounting to €92.4 million. Given the total social welfare expenditure for 2011, amounting to €20.7 billion, €92.4 million is a very small sum. The overwhelming majority of people in receipt of social welfare or pensions are utterly honest. They get what they are entitled to get, no more or less. The Deputies should note, however, that €92.4 million in one year is a significant amount. If fraud, error or overpayment occurs, we want to be in a position to recover the money in question in a structured way as quickly as possible. A message goes out to people that if they have received overpayments they will be obliged by the State to repay the moneys over time, as is the case with other institutions. If as much as possible of the €92.4 million for 2011 is not recovered, it is people such as pensioners who will suffer, because their legitimate entitlements will be put under the squeeze.

Overpayment is broken down into three categories: fraud, non-fraud and recoveries from the estates of persons who, it is discovered, have significantly more bank accounts or other types of asset than those disclosed on the making of the social welfare application. I refer to applications by individuals at the time of probate, for example. Fraud cases arise mainly on foot of false declarations by customers concerning their employment. Somebody who

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is actually working may seek a jobseeker's allowance, for example. Evidence of this may be obtained by investigation or, as is increasingly the case, through a tip-off to the Department. People are worried about social welfare money going astray. Non-fraud cases are primarily due to customer error, third-party error or departmental error. Cases arise in which undisclosed means of customers come to light after their deaths when their estates are being sorted out. In 2011, suspected fraud accounted for an estimated €35 million of the €92.4 million. Deputies may be a little surprised by this. Fraud featured in 38% of the cases, concerning 20,535 people. Let me refer to customer third-party error, which is sometimes a rather polite term. It may materialise on discussion with officers that the partner of an individual has returned only a week or two before that discussion. We would not have the time or resources to engage in litigation in every case. In the circumstances I describe, an individual may say he or she has a partner again and reflect this in the application for social welfare.

The third-party error amounts to €40.5 million, or 44% of the €92 million and comprises 36,000 cases. Deputy O'Dea should note that departmental error accounts for a very small amount, €5.5 million or 6%, and amounts to about 6,000 cases. Estate issues which arise, largely after somebody has died and his or her estate is being settled, account for about €11.5 million or 12% of the total, some 371 cases.

The total is about 63,000 people or customers of the Department and the estimated loss to the Department is about €92 million. In regard to fraud, on the part of officials at times there may be a lot of suspicion that there was a failure to accurately report the current status to social welfare. We would not have the capacity to go into the history of that in great detail and it might not be worthwhile to do so.

We have an obligation where these cases come to attention, to ensure the moneys, as far as possible, are recovered. In regard to people who are currently receiving social welfare payments I have set up a humane and considered way of assessing those with overpayments. They would, if they wished, have the right to appeal through the appeals system.

If people are currently in receipt of social welfare that can now be recovered at a maximum rate of 15%, or up to €28 a week, from the primary payment the individual receives. If he or she was in receipt of jobseeker's allowance the amount would be deducted from €188 per week. That is quite a considered way of doing it.

I do not have statistics on the exact amounts and recoveries. It is a process which is under way in social welfare offices right around the country. It only came into effect from January and we had to set up systems and so on. We are very anxious to take into account extenuating circumstances. Officials in the Department of Social Protection, by and large, have had an acknowledged reputation for doing that.

We then come to somebody who has received an overpayment. As I said, 38% are from fraud, 44% from customer error, just 6% from departmental error and 12% from issues arising from estates. The people involved are no longer in receipt of payments from social protection, therefore we cannot recover the money from them through the social welfare deduction process.

I ask for the support of the House for the Bill. It seeks the power to get an attachment order in regard to current earnings up to the same limits or in regard to bank accounts because sometimes money can be discovered. I gave Deputies details of people who were apparently reliant on social welfare income, but because they had other businesses had amassed significant bank savings in a number of cases published in the different reports on fraud.

It is appropriate that we should be able to do this in a structured way that is fair and takes into account individual circumstances, but also means that the message goes out that the Department is not a soft touch in regard to fraud or abuse of the social welfare system and will recover money in a structured way. The alternative available to us until this is introduced is to do nothing and not try to recover the money at all. In the good years it was quite possible to take that approach, but it is scandalous in regard to taxpayers who are paying tax and PRSI and is not acceptable to them.

Another option is to go down the route available without this amendment in regard to people no longer in receipt of social welfare payments, that is, to take civil proceedings through the courts. Deputies know very well that is expensive, lengthy and onerous. This will provide us with a mechanism which will allow us to recover money for taxpayers who are paying their PRSI and, in particular, the vast majority of people receiving an income from social welfare who want to see it spent on people who have the correct entitlement.

The total level of overpayments is 0.44% of departmental expenditure. There may be other areas we have to investigate. We are introducing a huge range of IT which will enable us to check identities. We have launched

the special investigations unit and there is an updated and very active programme in regard to fraud detection. Members of the public are making contact at a very significant rate with the Department to indicate areas where they feel the system may be abused or that the Department may not know the full facts and that there are facts it ought to be aware of. The amendment is measured and will help to recover significant amounts of money for the Department as we develop this system.

I will be very conscious of what Deputies said. Deputy Ó Snodaigh referred to the rent system in Dublin City Council. I am aware that people who understate rent get an awful shock when, for different reasons, things finally catch up with them. The Department is conscious of that and wants to provide for it in a structured way.

I understand Deputy Ó Snodaigh said that if one underpaid rent to Dublin City Council a whole range of services and options suddenly closed off completely, which was very difficult for a family. We are simply saying that the singular payment of the principal person concerned will be subject to deductions of up to 15%. If a person is now working and no longer a direct customer of the Department we will have a similar arrangement of recovery at a rate of 15%.

**Deputy Willie O'Dea:** I cannot understand what the Minister is saying about fraud. Nobody here objects to robust recovery measures in the case of fraud. The official statistics showed 32% of cases involved fraud, while the remaining 68% were not fraudulent. The Minister seems to be saying those figures are wrong and a lot of people designated as non-fraudulent are actually fraudulent. That is the gist of what she said.

I do not underestimate the value of €92 million, but we are talking about individuals. I note the Minister is not able to produce figures on how social welfare offices operate the new overpayment powers they got in the last legislation. Some of the evidence coming to me suggests they are being used quite harshly. As I said, we are talking about individuals to whom a figure of €92 million, €94 million or whatever means very little.

A deduction of €27 per week from a payment of €188, especially when the overpayment has arisen through no fault of an individual, is very harsh and not fair. If social welfare officers operate the system in that way - some of the anecdotal evidence I have heard is that they are doing so - that is patently not fair, balanced or just.

*7 o'clock*

Like Deputy Aengus Ó Snodaigh, I had very little time to examine this amendment and have no idea why it was not part of the original legislation but was instead foisted on us at the last minute without any opportunity for consultation. In regard to the attachment order, if a person moves from social welfare to employment and is entitled to family income supplement, is it the position that the Department will take that supplemental payment where it is sufficient to cover any overpayment that is adjudged to have been made while the person was reliant on social welfare? It seems somewhat illogical that where a person is in receipt of a departmental payment by way of the family income supplement, the Department would at the same time issue an attachment order against the individual's wages. What is the situation in a case such as that?

**Deputy Aengus Ó Snodaigh:** I was interested to hear the data supplied by the Minister. The new figures would have been even more skewed for last year when one considers that 60,000 social welfare recipients had an overpayment of one week in respect of their fuel allowance in 2011, that overpayment being subsequently deducted. The tabloid media would describe those overpayments as fraud because that is how all such matters are reported. While some tabloid newspapers have been admirable in their reporting of the Minister's latest proposal and did not go after the cheap headlines, others continue to talk about dole cheats and so on.

The figure for suspected fraud is €35 million, and this is the sum the Department should be pursuing to the ends of the earth. The message must go out that people who engage in deliberate fraud will be penalised. In the case of overpayment, it is interesting that the figure of €11.5 million, while very substantial for any community organisation, for example, is not a huge amount in the larger scheme of things. The fact that many of these overpayments relate to individuals' estates suggests that they involve elderly people who were in receipt of a contributory or non-contributory State pension and in respect of whom it was subsequently discovered, after their death, that there was a cache of money, additional assets or whatever.

The main cohort at whom these provisions are aimed are those involved in third-party error, who account for 44%, or €40 million plus, of the total figure of €92 million. In many cases these people are not aware that they are receiving an overpayment, although some may understand that they are getting slightly more than others. I do not recall any campaign urging individuals who believe they may be in receipt of an overpayment to contact

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their social welfare offices and have the matter dealt with as quickly as possible. Most people in receipt of social welfare are dependent on every last cent they can get. Some are making payments to debt collectors, for instance, and many are raising children. Most of them will not, in the absence of some type of prodding, offer up the excess €5 they are receiving every week. When it comes to repayment, that might sound like a small sum to people who are on a decent wage, but it adds up to €250 in a year, €500 after two years and so on. That level of overpayment amounts to a substantial sum for people on social welfare to repay. If a person moves off the dole and into minimum-wage employment, earning €350 or €400 per week, a 15% attachment order to recover an overpayment will have a significant impact on his or her disposable income.

That is our concern in regard to this amendment. It will be passed because the Government has its majority, but it is disappointing that we were not given sufficient time to examine it. I urge the Minister and her officials to ensure that the maximum is not pursued on every occasion, as per the default position of those involved in recovering moneys for the State. There is provision in the legislation for some leeway in this regard. I mentioned Dublin City Council because I am most familiar with it, but all local authorities will present a tenant in arrears, for example, with a proposal to repay €50 per week. The individual concerned must then embark on a process of negotiation to reduce the repayment to a more manageable figure. It should not be the default position to recover 15% in all instances. There must be an awareness of the difficulties involved, unless the person concerned is fortunate enough to be earning very good wages and can afford the 15% payment.

The Minister indicated that the level of departmental error is around 6%. It is telling that even the Department, with all of its computer systems and qualified personnel, can make mistakes at that level. I and other Deputies, including most likely the Minister herself over the years, have pointed out that there are many people who have difficulty filling out forms. I am aware that departmental officials generally give the benefit of the doubt in such cases, accepting that the person concerned did not understand what information was being sought. Nevertheless, it is vital that the forms be simplified. Most of the information is already on the departmental system. In time, when the computers in various Departments can talk to each other, the opportunity for both clerical mistakes and applicant errors will be reduced. That work will produce savings. In fact, if there is any saving from the provisions in this amendment, it might be re-invested to ensure the systems are properly functional. People are being penalised not only in cases in which they made a genuine mistake themselves but also in cases in which somebody else made a mistake. Between departmental error and third-party error, we are talking about some €50 million, which is not a small sum and could be better used for the benefit of a range of recipients. We should always be mindful of those in our society who might be described as functionally illiterate. It is estimated that 20% to 25% of Irish people experience major difficulty in filling out forms and completing other bureaucratic requirements. It is a scary figure for a modern society.

We are not arguing that nothing should be done. There has always been the option, as the Minister mentioned, to take civil proceedings, and that threat alone would probably have forced some people to cough up where they were in a position to do so. Maybe the Department's failing over the years was that it did not take such proceedings, with all the publicity, thus sending out the message that where people received major overpayments over a substantial period of time the money would be recovered, especially if the person was in work or had some other source of wealth. I am concerned that, more and more, we are creating additional powers to interfere with people's personal finances. In the case of the property tax, for example, we argued about the additional powers given to the Revenue Commissioners. That is mirrored here in the granting of full access to information about people's incomes and assets. That is not a bad thing if one is talking about assets, but it is if it means continuously monitoring income other than that covered by the normal tax system in which one pays one's PRSI. Only in the event of abuse of that system should the State be involved in trying to recover money. This is not abuse of the normal tax system. It is not abuse at all in most cases, because it is not fraud. It is error, whether on the part of the customer or the Department, and it should not be treated as tax or social welfare fraud. It just seems that the two are viewed as the same thing.

How many cases are taken each year when fraud is suspected? Is there a big campaign, apart from encouraging people to let the Department know if others are fraudulently claiming? How much time and effort is put into prosecuting those involved in that fraud and how much is put into ensuring the recovery of the money? In this case we are dealing only with those who have moved on. Most of the €35 million taken through fraud or third-party error can be recovered because the people involved are still receiving social welfare, especially in this day and age when the number of people moving from dependence on social welfare to work is reduced. The amount that could be recovered is not the €92.4 million that was mentioned at the outset but is probably a very small fraction of that.

There are people who receive only child benefit, and I presume payment is excluded in such cases. I know

that in the recovery process, if one is on social welfare, that is the principal payment and the 15% can be taken from it. In the case of child benefit, however, people on wages are affected, so it is slightly different. If one is on wages and receives child benefit, will the amount to be recovered come out of the child benefit? Does this apply if one is not in receipt of any payment? For example, if one is married and one's partner is earning, does this apply to recovery from the partner? There are people who do not earn an income and whose children have grown up but live at home. Is that an option that is included, or is one of the effects of this that a partner in a couple could be pursued for past overpayments by the other partner?

**Deputy Catherine Murphy:** I welcome the Minister's comment that this is a tiny fraction of the overall budget and that the majority of those who claim social welfare do so honestly and live very frugally if they are wholly dependent on social welfare. It is important to put it in that context, and it was only right and proper that the Minister did so.

One of my concerns is that once something has been written down and approved it becomes a strict rule, and flexibility in a situation where money is tight becomes much more difficult. I have no difficulty whatsoever with taking people engaged in fraud out of the system, because not only are they taking something that does not belong to them, but they are causing these headlines in the tabloid newspapers in some cases. I fully accept the point made by others that there is a difference between fraud and error. We have a very complex system of social protection with many different payments, so that often it is not easy for people to understand the process. As some people have said, the simplification of forms would go some way towards eliminating some of the errors.

I am concerned that the provision will be strictly and harshly applied, because the way people are being handled now in situations in which there may have been a discretionary payment would not have happened five or six years ago. It is difficult to describe without quoting individual cases, which I can give the Minister over the next few days if need be. In some situations a person who was working may have received a discretionary payment where his or her income increased and an overpayment occurred innocently. In other situations small amounts paid over a long period can make up a sizeable bill for somebody on a small income. I too reiterate the call for a humane approach to error, as opposed to deliberate fraud.

I would have liked to hear what the Free Legal Advice Centres, FLAC, the Money Advice and Budgeting Service, MABS, and others would have said about a more considered approach to this problem. It is really regrettable that we are not enriching the legislation by availing of the knowledge of people who are at the coalface and who could draw attention to things that might be problems but could be eliminated by tweaking this proposal. It is unsatisfactory to deal with this in such a rushed way.

**Deputy Joan Burton:** I advised the Deputies that we were not able to introduce the amendment because we were awaiting clearance from the Office of the Attorney General, where there are great pressures of work. These are complex amendments and difficult to get right. Before I became Minister, an overpayment could have been recovered for the princely sum of €2 per week. There has to be balance in our discussion. People who work and those who are retired but were in work have contributed tax and PRSI. I have an obligation to them and to the credibility of the social welfare system and contract. I am glad that Deputy Catherine Murphy has acknowledged that the number of people who receive overpayments, some 63,000 in 2011, is a small fraction of the total number in receipt of social welfare payments, the overwhelming majority of whom are very honest. However, there are some who are not dealing honestly with the social welfare system. To be honest, this is a scandal. While the economy is doing better, money is still tight. We must be able to recover the moneys involved in a reasonable and measured way which is what this provision will put into operation. I have also had the opportunity to talk to staff dealing with this issue in the various offices. Some of those discovered abusing the social welfare system will put up their hands and agree to pay back so much a week. However, there are those who give two fingers to the rest of the working population who are paying their taxes and PRSI, saying they will only pay back €2 a week. That is not a reasonable stance to take. We are now putting into effect a modern recovery system which will do it carefully and cautiously at a maximum of 15% of the principal payment.

Deputy Aengus Ó Snodaigh asked about recovering from those in receipt of a single payment such as in the case of a couple claiming child benefit by stating they had seven children when they had only three. Yes, we can. Should we recover it? If it is their only payment from the Department of Social Protection, we should claim it back at a measured amount, amounting to the same percentage and taking into account the circumstances of the case.

Deputies have stated correctly that many persons who deal with the social welfare system might not be great at reading and writing. My Department spends €47 million a year on Citizens Information centres and the MABS,

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the Money Advice and Budgeting Service, precisely to help people to obtain information on their entitlements. Since I became Minister, we have been working with the National Adult Literacy Agency, NALA, and the Plain English campaign to have social welfare benefits expressed in language that, while it has to have reference to the law, is understandable to as many people as possible. It must also be borne in mind that significant numbers of social welfare claimants were not born in Ireland; therefore, their grasp of English and their proficiency in the language may be less than that of Irish or other English-speaking claimants. Citizens Information centres run significant information campaigns and provide many leaflets on social welfare entitlements. We also have an advocacy service which I launched shortly after I became Minister to assist people with disabilities, for example, to receive their full social welfare entitlements. There is much emphasis on care in social welfare offices to assist people with their entitlements. The other side is that if somebody has received an overpayment, the Department is actually bound to seek its recovery on a reasonable and phased basis.

By the end of 2012 there were 675 cases in the courts system, which includes those with the Chief State Solicitor's office and local State solicitors. I make no apology for this. By and large, the cases that end up involved in court proceedings are very serious and involve large amounts of money. If such cases go undetected and unprosecuted, it saps confidence in the social contract for those paying their taxes for the social welfare system who want to see retirees, for example, receive a decent social welfare pension. It must be remembered that social welfare rates are at the higher end of the spectrum than those in most European countries. In spite of all our economic difficulties, we have managed to keep the core weekly payments intact.

The amendment is appropriate and brings the recovery of overpayments into a modern system. The technology available in the Department of Social Protection is being updated. We have cleared the backlog of family income supplement applications and revised extensively the arrangements for domiciliary care allowance, much of which was drawn from debates in the House with Members opposite and suggestions from various organisations involved. However, we do have a persistent problem with social welfare fraud and abuse. We need to make the recoveries which is what the amendment is about. I recommend it to the House.

**Deputy Aengus Ó Snodaigh:** Are the attachment orders only valid in the State? Can they be pursued in other European states? The Minister has stated there are 675 cases before the courts.

**Deputy Joan Burton:** There are 675 cases in process.

**Deputy Aengus Ó Snodaigh:** The Minister, however, stated of the 63,000 claimants in receipt of overpayment, fraud is suspected in 38% of cases. That would put the figure involved in fraud near 20,000. Considering that only 675 cases are in the courts system, it seems a significant amount of fraud cases are not actually prosecuted. Are agreements made to settle these cases before they get to court?

**Deputy Joan Burton:** I will get information for the Deputy on a claimant who has moved abroad. It depends on whether it is possible to identify his or her earnings.

During 2012, 161 of the cases were referred to the Chief State Solicitor's office for criminal prosecution. Obviously, these are the ones at the more serious end of the spectrum. In last year's social welfare Bill I gave powers to social welfare inspectors to question people at ports and airports in cases where they were suspected of repeatedly coming in and out of the country to make claims or of Irish people who had moved abroad and were coming back to make claims. Several such cases have been prosecuted, but, again, this is at the serious end of the scale.

Up to 84 cases were referred to An Garda Síochána and are under consideration for prosecution. We run many joint investigations with the Garda, the Revenue Commissioners, the Customs service and other agencies such as the Taxi Regulator. There are many complaints made by people working legitimately in the taxi industry that they are being undercut by unregistered moonlighting taxi drivers who are drawing social welfare payments.

We are rolling out the personal services card, with up to 250,000 issued so far. We require people to co-operate with this process which is further provided for in this legislation. On invitation to have a photograph taken, it is interesting that some people decide they cannot have it taken there and then. There is a problem in terms of multiple identities being claimed by a few individuals.

Progress reported; Committee to sit again.

## **Message from Select Committee**

**An Leas-Cheann Comhairle:** The Select Committee on Jobs, Enterprise and Innovation has completed its consideration of the Industrial Development (Science Foundation Ireland) (Amendment) Bill 2012 and has made amendments thereto.

### **Estimates for Public Services 2013: Message from Select Committee**

**An Leas-Cheann Comhairle:** The Select Committee on Jobs, Enterprise and Innovation has completed its consideration of the following Revised Estimate for Public Services for the service of the year ending 31 December 2013: Vote 32 - Jobs, Enterprise and Innovation.

### **Finance (Local Property Tax Repeal) Bill 2013 [Private Members]: Second Stage**

**Deputy Pearse Doherty:** I move: "That the Bill be now read a Second Time."

Sinn Féin is as aware as anybody that we are living in very difficult times. We have shown in each of our alternative budgets how we would do things differently and how we would face the challenges that the State faces in a fairer way. We know that there is no easy way out of the crisis, but the tax on the family home is not part of any fair solution. It is a tax on the family home for which people worked hard.

The people are not fools. They know where the money is going. They know it will go to pay for some of the excesses in Irish society and that angers them. To put this in context, the combined charges levied on the 1,000 households in Carrickmacross town will pay for the Minister of State's salary. The population of Bundoran comprises 1,600 families and if all of these households pay the local property tax this year, it will pay the Taoiseach's salary. Let us be clear: this tax will not pay for extra services or local amenities. It is simply an extra tax on people who own a home, but fundamentally at the core of this measure is an austerity tax which is being levied on home owners to pay off banking debts. Sinn Féin is clear on this issue - we should not - either in the past or in the future - be paying off the toxic debt of Anglo Irish Bank. The taking on of that debt by the Government was a bad day for the State and the people.

The promissory note is still with us; it will be with us for another generation but under a different name. What about the retrospective recapitalisation of the pillar banks through the ESM? We were told a year ago this month that there had been a seismic shift, but the fact is that this is a tax to pay the debt of the banks. When one looks closely at the figures, one sees how grave the situation is. The local property tax is being earmarked to take in €500 million a year, if every household in the State pays it. If every single household in the State pays it, it will take five and a half years to repay the so-called investment in Irish Life and Permanent. It will take nine and a half years to repay the money sunk into Bank of Ireland, ten and a half years to repay the debt of Irish Nationwide Building Society, 41 and a half years to repay the cost of bailing out AIB and more than 50 years of property taxes to recoup what was paid into Anglo Irish Bank. Overall, that is 125 years of property tax returns simply to pay off the toxic banking debt. Let us not pretend that this tax is anything to do with local services because the people simply are not buying it.

Sinn Féin has a different approach. What we ask is for those who have more to pay more. That is why we are committed to repealing this tax. That is the reason we have given a commitment, if we have the privilege of being elected to government after the next general election, to scrap it. Regardless of the outcome of the vote on this legislation tomorrow night, our party will continue to campaign against this tax because this issue is not going to go away. From next January the anger will increase across the State as people will have to pay a whole year's charge, double what is due this year, and they will note from the legislation that the following January county councils across the State will be able to increase the charge by 15%. We know what Fine Gael and Labour Party councillors are likely to do. Equally, councils will have the power to decrease the tax and every Sinn Féin candidate throughout the State who is successful in next year's local elections will be mandated to vote to reduce the change by the maximum of 15% allowable as soon as possible.

The Bill is part of our alternative. It has a simple aim, namely, to scrap the tax on the family home and re-



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fund anyone who has paid the tax this year. Any of our alternatives, or a combination of them, would replace the revenue lost. We provided them for the Department of Finance, the Minister for Finance, the Minister for Social Protection and others in our alternative budget last year.

Since 2008 Fianna Fáil, Fine Gael and the Labour Party have done the wrong thing. They have surrendered to the diktats of the troika, failed to stand up for ordinary people and failed to demand fairness. Irish people, as we all know, have a very special affinity with their own home and land. It comes from our history, eviction and the Land League. Now at the behest of international capitalism but, ultimately, by its own hand, the Government will tax the family home. This extra new tax comes on top of the €28 billion in cuts and taxes introduced in a small number of years. We are told that the Government plans to wrench a further €5 billion in the next few years. It talks loudly about fairness, but the question must be asked as to where is the fairness in this tax. Where is the fairness after five years of austerity in taxing the roof over people's heads, while at the same time many of the crooks and chancers who caused the crash are still walking free, many of them outside the reach of NAMA, some of whom still owe hundreds of millions of euro, much more than this tax will raise this year. Others are walking around or being driven around the State and pocketing super pensions from it. They will be able to pay the tax, of that there is no doubt. Bertie Ahern will not flinch in paying his tax; neither will Mr. Michael Fingleton, but thousands upon thousands of others simply will not be able to pay it, while many others who have paid or will pay have made serious and major sacrifices and endured disturbances in their own lives to appease the Government. Those who cannot pay will be penalised with interest payments or have it siphoned from their pockets, their salaries or social welfare payments. Where is the fairness in this?

The cynicism with which the Government is bringing forward this tax is typical of an arrogant Government that is out of touch with the effects its policies are having on ordinary people. Sinn Féin has shown how we can reach our deficit targets, but we would do so in a different and fairer way. We have shown how a wealth tax - set out in legislation we drafted - on assets above €1 million, excluding working farms and businesses, could bring in more than this tax is earmarked to bring in. We have shown how there is room to increase capital gains tax and capital acquisitions tax. We have also shown how there is room to introduce a betting tax or a third rate of tax for high earners with incomes above €100,000, but the Government is not interested in any of these alternatives. We just have to consider what it is doing. This is a Government that is committed to repaying every last cent, plus billions of euro in interest on Anglo Irish Bank's debt, with which the State has been saddled for generations to come. This is a Government that trembles and sits on its hands while bankers in bailed out banks are awarding themselves ridiculous salaries and pensions, yet the Government tells us there are no alternatives, which is simply not true. There are alternatives, but the Government does not want to hear what they are. It is not interested. There are alternatives and they would not bring the economic and social damage this tax will cause. Let there be no doubt about it: this tax will push more people into mortgage arrears and others will see the threat of repossession progressed, particularly as a result of the removal of the safeguard in the Dunne judgment by the Government. Ordinary people across this State who are burdened with austerity and who are trying to get on with their ordinary lives - people who have made or who will make the payment - are under serious pressure as a result. This tax is about sucking half a billion euro out of the real economy at a time when the real economy is on its knees.

"It is morally unjust and unfair to tax a person's home[.]" Those are not my words but those of the Taoiseach, Deputy Enda Kenny, not a million years ago. The question I ask of the Taoiseach is what has changed. What of the Labour Party? In 2010, when the prospect of a Labour Party Taoiseach was a possibility, the Tánaiste, Deputy Eamon Gilmore, was unambiguous. He said it would be perverse to ask people to pay a property tax on a property on which they were paying a mortgage which was many cases worth more than the value of the property. What has changed? How has something which was morally wrong, unjust, unfair and perverse now become a good idea? I hope those opposite can answer that when they take to their feet later this evening and tomorrow evening.

I also call on Fianna Fáil to support this Bill. More importantly, I call on it to make the commitment, as Sinn Féin has done, that if it is elected to government after the next election, it will scrap this tax. We all know that this is its baby, but has it changed its mind or did it want to avoid the hard part of bringing it in?

There is no doubt that there is tremendous anger across this State and abroad - people have been forced out of this country as a result of austerity policies - at what this Government is doing. That anger will only increase as this tax increases and places an additional burden on them. Sinn Féin is clear on what its legislation is about. This is the legislation we want to introduce in government, but we want the Government to do the right thing. We want it to hear the cries and pleas and know the suffering and pain of ordinary people across the State who are burdened by austerity and who are scrimping and scraping to try to get by. We want the Government to allow this Bill to pass so that we can have this property tax repealed and a proper and fair alternative put in its place.

**Deputy Mary Lou McDonald:** It has become standard practice in this Dáil that week after week Ministers traipse in here to cry crocodile tears for struggling families across the State. Strangely, it never seems to dawn on those same Ministers or, indeed, their cheerleaders on the backbenches that they are responsible for the hardships families endure. Taxing the family home is a deeply unfair measure. One in four families are experiencing mortgage distress while tens of thousands of young homeowners are now burdened with negative equity, all having paid significant moneys in stamp duty.

Recent ESRI and NESC reports have starkly illustrated the impact of the economic crisis on young families. The ESRI report entitled *Younger and Older Households in the Crisis* describes the impact of the crash on younger groups as large both by international standards and in a historical comparison. The reports pose the question as to how best to address the disproportionate impact this crisis has had on Ireland's young households. The Government gives its response to these dismal statistics and reports. Its answer is to heap even more debt and stress on struggling households. It is quite mind-boggling that any Government would introduce a tax on the family home in the aftermath of a huge property bubble which, as we all know, burst and left hardship in its wake.

The Labour Party's and Fine Gael's dogged refusal even to include an ability-to-pay clause in the legislation is truly astonishing. They tell us that they know people are suffering and that they are all about reform and all about fairness, yet they refuse to include a standard provision to protect families that simply do not have another euro or another cent to give. They are obviously not listening to the families that no doubt contact their constituency and Dáil offices.

The NESC report also acknowledged that the succession of harsh budgets since 2008 has had the hardest impact on families with children. Some 22% of all households are now without any work. The report states that one quarter of all children are living in jobless households, yet this is the demographic of citizens into whose pockets the Labour Party and Fine Gael are seeking to dip their hands again. Their members should not tell us they do not have any options or choices. They should not point to the troika or to the abysmal administration of Fianna Fáil. There is the Government which balks at the suggestion of modest tax increases for those on very high incomes and at ensuring multinationals meet their tax obligations in full.

The question for families across the State is this: where is the heavy-handed treatment of senior bankers when it comes to their pay and pensions or, for that matter, as the banks hike up interest rates? Where is the heavy-handed approach to retired politicians who enjoy bumper pensions? One can only conclude that the introduction of this type of tax demonstrates an absolute contempt for citizens.

The message from the Government has been "Pay up or else." We see this very clearly in the design of the legislation itself. Never before have I seen such a cynical and heavy-handed approach to force people to cough up a tax even if they simply cannot afford it. The Government has to know that one in four households are experiencing mortgage distress and that 65,000 local authority tenants are unable to meet the cost of their rent, yet its response is "Cough up or else." To its mind, there is not a choice as to whether people can or should meet this tax.

The Government is using the Revenue Commissioners to force families to meet this additional debt, to dip into these people's pockets and to create more hardship by taking moneys directly from bank accounts, social welfare payments and payroll, if necessary. It is Big Brother - the heavy hand of the State. It will not even give some margin to people who it has to know cannot afford this additional tax - people who are out of work and those who are struggling on pensions not of the variety enjoyed by former Taoisigh and senior civil servants. It will not even offer an exemption to those people. Instead, it will offer a deferral of property tax payments for people who have suffered a significant and unexpected financial loss or expense, although we all know that in practice this will not be applicable to many families in real distress. The mean-spiritedness of this legislation is astounding.

The Government decided to plough ahead with this tax and the legislation was rushed through the Dáil. It wanted to minimise debate and maximise pain. Unemployment remains perilously high but the Government has not introduced any meaningful measures to tackle mortgage distress. One third of children in this State live in deprivation. I can only conclude that the Government is somehow cosseted from the harsh realities facing citizens. For so many families, this property tax will simply be a debt too far.

In addition, the tax makes no economic sense. We know the domestic economy remains in distress. Arguably, this measure will only damage the local economy even further. Families will be forced to pay the tax and as a result, basic necessities will be forfeited. Oil will not be bought this winter and a much-needed trip to the doctor or dentist will be put off again. That will be the achievement of the tax on the family home.

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Sinn Féin is opposed to the property tax on the family home. We have made an absolute commitment to axe this unjust tax when we are in government. The legislation we are proposing this evening represents the means by which this tax can be brought to an end. There is an onus on each of the Members of the Dáil who claim to be concerned about struggling families to come in here and vote in support of this legislation. If they care about fairness and really understand the struggles of families, this should be a no-brainer for them. Sinn Féin will continue to campaign against this tax. We know the vast majority of the families and households that have registered for the tax with the Revenue Commissioners in order to be tax-compliant have done so under protest because they are struggling. It is a shame that the Government has introduced this tax, which it must appreciate is deeply unfair and inequitable at a time when so many other options are available.

**Deputy Caoimhghín Ó Caoláin:** The hardship endured by masses of people in this State as a result of the economic collapse, which was undoubtedly caused by Fianna Fáil, is being compounded by the ongoing imposition of the failed policy of austerity by the Fine Gael-Labour Party Government. The sharp end of that austerity policy is now being experienced by people the length and breadth of the country. I refer to the so-called property tax, which is really a tax on the family home. The Taoiseach, the Tánaiste and their respective parties are on the record as opposing this form of blanket tax, which takes no account of ability to pay. They have now left that opposition behind them. It has been discarded in the same dustbin of history where the Labour Party threw its posters proclaiming “Protect Child Benefit - Vote Labour”.

The spin from the Government - that this tax on the family home is great for local government - is pure baloney. The Minister for the Environment, Community and Local Government, Deputy Hogan, is delivering a double blow to local government and local democracy. He has cut funding for local government. He is pushing ahead with his plan to abolish town councils and drastically cut the number of councillors without restoring any real powers to councils or the communities they represent. People will not know what they have lost until it is gone. There should be no mistake about that. People are being forced to pay this unjust family home tax at the same time as local government services are being cut back.

A prime example of the cruel, senseless and totally counterproductive nature of local government cuts is the slashing of the housing adaptation grant, for which the Minister of State, Deputy Jan O’Sullivan, is responsible. The overall cut of 40% across the State this year is outrageous. It is even higher than that in some local authorities. Many older people and people with disabilities who own their own homes have been forced to pay the family home tax at the very time they are being told they will not get support from their local authorities to have vital works carried out to make their homes liveable in.

**Deputy Aengus Ó Snodaigh:** It is scandalous.

**Deputy Caoimhghín Ó Caoláin:** For many people, such work is vital to help them stay in their own homes and out of long-term residential care, thereby saving the State enormous sums of public money. Not only do these cuts represent a cruel way to treat vulnerable citizens, but, in addition, they are economic madness. Thousands of small builders and tradespeople found badly needed work when they were called on to carry out grant-aided housing adaptations. The Government is drastically reducing this source of economic activity. Incidentally, this activity freed up further cash in the economy as successful applicants used their own resources, limited though they may have been, to make up the balance of the cost. What public respect will be left for local democracy as a result of the Government’s actions? An unjust tax has been imposed and labelled a local property tax just as services provided by local government are being slashed and local government is being disembowelled. Local economies across the State are being further weakened because the expendable income of so many of our people, which was already limited, is being reduced further by means of this family home tax.

I want to be very clear about Sinn Féin’s determination on this tax. We want it to be abolished. That is it. Regardless of the outcome of the vote on this legislation tomorrow night, we will continue to campaign for its abolition. The deadline for filing returns has passed, but that does not mean the fight against this tax is over - far from it. People need to continue to show their opposition to this tax to ensure it will be abolished sooner or later and to prevent the Government from increasing it next year or the year after. It has been suggested that the surviving local authority entities might add to it in their own interests in future years. The family home tax demand that people have received relates to the six months from July to December 2013. Next year, they will be asked to pay double what they have had to contribute this year.

The Fine Gael-Labour Party Government is planning to introduce water charges in 2014. That will be another imposition on hard-pressed households while the salaries of super-rich bank bosses and other fat cats are protected.

The Minister of State knows in her heart of hearts that there is an alternative. Her political instincts tell her that the alternative is to tax wealth rather than the family home. However, the Minister and her Labour Party colleagues are losing the battle in this coalition. A new top rate of tax for the highest earners would raise €365 million per year. A 1% tax on net wealth over €1 million, excluding business assets, working farms and 20% of family homes and pensions, would raise €800 million per year. Fair taxation, based on ability to pay, is a just demand that was championed by the Minister of State and others on the Labour Party benches over many years. They may have abandoned fair taxation, but we will certainly continue to demand it. Unlike the Labour Party, we will damn well implement it when we are in government.

**Deputy Aengus Ó Snodaigh:** Maith an fear.

**Deputy Jan O'Sullivan:** What about what Sinn Féin is doing in Northern Ireland?

**Deputy Michael Colreavy:** The legislation introducing the Government's regressive family home tax was ill thought-out. It should more properly have been called the "Pretence of improving local democracy by empowering local authorities to raise revenue on behalf of the Government" Bill. Sinn Féin has campaigned against this legislation, just as we did when the household charge was introduced. At a time when one in four mortgage holders are in distress, it makes no economic sense to place a tax on people's homes. Families up and down the country are on the breadline as they try to pay mortgages on homes in negative equity, pay for their children's education and keep their heads above water. If one wants an indication of the distress families are in, one should examine last week's figures showing that 20,000 families were disconnected from electricity and gas supplies in 2012. That is a startling figure. The same families have had the burden of this tax placed on their shoulders.

Has the Government considered how much money this tax will suck out of the local economy? According to the law of economics, the less disposable income people have in their pockets, the less they are able to spend in the real economy. How many jobs in the retail sector could the Government have potentially stunted by implementing this tax? How many small and medium-sized businesses, which depend on local consumers, could be severely hurt by this tax? As we know, the tax will double, at least, next year and the year after. The Government will also introduce water charges and whatever other mean-spirited taxes and cuts it can think of. All of this is being done to pay reckless financial gamblers. The Government has lauded those who have already paid this tax as if they were happy, delighted or anxious to do so. Many of those who have paid have been forced to cut back on other bills and expenses because of it. The Revenue Commissioners are feared and respected. The draconian decision to allow the Revenue Commissioners to raid social welfare payments and pensions was designed to intimidate families and has done so.

Some Deputies on the Government benches will try to accuse Sinn Féin of hypocrisy by arguing that we support a similar system in the Six Counties. Indeed, we heard such a suggestion from the Minister of State just now. Domestic rates in the Six Counties are a very different proposition, however. Rates in the North cover a range of public services including education, emergency services, health, housing, roads, water and sewage. In addition, the Stormont Assembly has inherited a fiscal regime in the North whereby tax-varying powers and fiscal levers are retained by Westminster.

*8 o'clock*

Sinn Féin wants fiscal independence from London. Instead of snide comments from Government spokespersons here, can we please have their support in taking control over our fiscal regime?

The Stormont Assembly has passed a Bill which would allow the business rates system in the North to be restructured, which would mean that smaller businesses would pay less and bigger industry would pay more in light of the current economic climate. In all of the Government's debate about the family home tax, there is nothing about reducing business rates on small local businesses and industry. Does it care so little about maintaining jobs in our local communities?

Sinn Féin is asking all Deputies in the Chamber to support our legislation repealing the family home tax and refunding those who have paid this illicit charge. In the financial hardship that many Government Members' constituents now face, it is the right thing to do. Their constituents are watching.

**Deputy Dessie Ellis:** When this Government was elected in 2011, it was a massive change in Irish politics. However, the reality is that while a lot changed in terms of faces and names, the politics pretty much stayed the same. It stayed the same for two reasons, namely, because Fine Gael and Fianna Fáil are not really all that differ-

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ent, when it comes to policy anyway, but also, despite what Fine Gael and especially Labour had told the people on the campaign trail, the Government parties had already bought into the idea that they would continue with the IMF-ECB bailout and only seek cosmetic changes which could be rammed through and sold as victories.

The result is a Government that only thinks about ordinary low and middle income earning people, unemployed people, people with disabilities and young and old people as an afterthought. While the public has sometimes forced some small row-back on certain issues, the Government has done what it wants and ignored the potential hurt this might cause. It continues that hurt through the pursuit of the family home tax. Sinn Féin has been clear since this tax was floated as an idea. It is the wrong tax, at the wrong time and in the wrong circumstances. It is wrong because it treats the family home as an asset, regardless of the circumstances of the owner and their family. It is certainly likely that the homes of any of the Cabinet could be considered assets. I hope the Minister, Deputy Hogan, has cleared up the issue of fees owed on his Portuguese property as he asks people to stump up for this tax.

Families up and down the State are struggling - struggling to pay bills, to keep the lights on and keep the children clothed and fed. They are struggling to keep the roof over their heads. Now, they have to struggle further to pay this unfair tax. It comes at the wrong time because of the dire financial position of so many homeowners throughout the State, where their homes and their mortgages have become a millstone around their necks, a millstone Fine Gael and Labour want to tax. These people, who in many cases paid huge sums in stamp duty and do not fully own their homes, are asked to shell out for a home which, if they sold it in the morning, would still leave them owing tens if not hundreds of thousands of euro to lenders due to negative equity.

Apart from a notable few like Apple or Bertie Ahern, most are quite willing to pay their way in tax terms. They know that tax is a requirement to provide the vital services they need, and they know they must pay for the good of themselves and wider society. This breaks down when it is considered what people are really paying for these days. People do not see their hard-earned money being used for understaffed hospitals and crumbling roads; instead, they see it going into the coffers of bondholders and NAMA developers. They feel utterly bitter, and they are right to feel this way. It is hard to stomach forking out money which could make their children's lives more comfortable, keep the heating on just a little more this winter or fill the shopping basket a bit more each week, in order to pay for debt they did not run up and should never have had to pay for in the first place. It is particularly hard to stomach when they know that whether they pay it voluntarily or have it taken from them, they will have to pay it.

I would also like to mention the utterly wrong practice of levying this charge on local authority housing. While we oppose the tax in its entirety, it was a new low to discover that local authorities were to be included for this liability. It really puts paid to the idea that this tax is anything to do with funding local services. In many areas, the most important local service provided is housing. Local government has been cut and cut again while housing waiting lists are at an all-time high. Dublin City Council is spending €1.5 million more on RAS a year than it is given by the Government yet this is still not enough as people continue in overcrowded, unsafe, unhealthy and overpriced accommodation, waiting for something to become available from a dwindling public stock.

These people did not party in the boom and they did not go mad. They struggled and hoped that, just maybe, the Celtic tiger might have some impact on the fact their kids go to school sick from the damp on the walls of the tiny rooms they share with their siblings. I will not hold my breath to see how much of the money raised from the home tax goes to fix those problems. I have much more confidence in the likelihood that their rents will be raised to pay for the shortfall in council coffers, which will be considerable.

I want to also mention a number of estates in my own area which have been included for this tax although they were originally exempt as unfinished estates, such as Heathfield, Mayeston and Hampton Wood. It is hard to understand how one estate is exempt, like Priory Hall, while others are not. Previously, they were all included in the exemptions and it is difficult to understand how only one estate in the whole of Dublin is included for exemption in this case.

This is a very unjust tax and it should be abolished. I ask the Minister to reconsider it and ask him and his colleagues to examine their consciences in regard to what they are doing to the people. This is only one stealth tax and it will be followed later by the water tax.

**Deputy Martin Ferris:** While the Government parties may congratulate themselves on the numbers who have paid the property tax or household tax, to date, they must also surely be concerned at the remaining high number of people who have not paid the tax. Despite the fact the State has the power to deduct the money from

people's bank accounts, wages and other payments, over 10% of householders have still not filed their payment. This indicates that a significant number of people are making a political and, indeed, a moral statement. They are saying to this Government, "You may take this money but you are taking it without my consent." That might appear to be a pointless exercise, and one that will incur further loss, but it is a position deserving of respect. The fact that tens of thousands have refused is their way of saying, as citizens, that they object, just as the majority of people objected to the household charge, which had to be abandoned in the face of mass refusal to pay.

The Government should not delude itself into believing that the majority consented to this. Nor is opposition solely based on people's concerns over having to pay out more money. That is not even a factor among those who have refused to pay as they know it will be taken from them anyway, and perhaps with penalties imposed on top. The vast majority of people do not mind paying tax when they can see that the entire tax is going towards the upkeep of public services and provisions. They do object when they can see that increased demands on their income are accompanied by an actual decline in those services and provisions because they are also the target of the Government's austerity policy.

The claim that increasing the amount of money accruing to the State is all to ensure the upkeep of State services rings hollow in the present circumstances. We have all seen that the consistent direction of this Government has been to make cuts across all areas of public provision. There is hardly a household in the State which has not felt the impact of that, along with the overall economic downturn and exacerbated by austerity. On every Dáil sitting day, there are groups outside drawing attention to the manner in which a vast range of necessary provisions have been undermined. In our constituency offices and on the telephones here, we are daily hearing about the often severe impact which cuts in payments and services across the board are having on people. On top of that, the impact of large scale unemployment has been made worse by sucking billions out of the economy and thereby undermining jobs.

It is in those circumstances that the Government's introduction of this latest assault on household income is regarded. It is deeply resented because people realise that the money collected will not actually contribute to any improvement in the provision of services. This Bill is our way of saying that the property tax is wrong and is part of an overall assault on Irish society that has been in train since the disastrous decision was made to put the interests of failed gamblers above those of citizens of this State.

**Deputy Michael Healy-Rae:** I thank Sinn Féin and Deputy Martin Ferris. This tax is extremely unfair. After studying the demands sent out by Revenue, one can see that the banding system is completely wrong. In many instances, elderly people and people who did not follow the matter properly took what was in the demand at its word and paid more tax than they should have paid. Between the household charge, the NPPR charge and the property tax, the Government has made a right dog's dinner out of this affair because it has caused confusion and upset and because everything it has done has been unfair and unjust. There were different ways of going about it if the Government got its head together properly. Instead, it went off on a tangent. What government in another state would come up with three different charges in two and a half years to cause confusion and upset?

Revenue came in here and admitted to us that the calculations they were sending out were totally wrong. I cited a house in Kenmare that was sold for €67,500. At the same time, Revenue put those people in band three. Everybody living in that townland believed that if Revenue sent something to them, they were supposed to be right. Those people were put in band three when the last property sold in that location, which was a new three-bedroomed property, made €67,500. If anybody from Revenue had only checked a computer, they could have seen what properties were making in that area and would have realised that the people should have been put in band one. That was representative of what happened the length and breadth of the country. The Government has made a dog's dinner out of this affair and upset many people. It is unjust and unfair and Sinn Féin is right to come in here tonight with this Private Members' motion because what the Government has done is a disgrace. It is incompetent.

**Minister for Finance(Deputy Michael Noonan):** It is unlikely to surprise Members of the House that on behalf of the Government, I am opposing Second Stage of the Finance (Local Property Tax Repeal) Bill 2013 introduced by Deputy Doherty. The introduction of a value-based property tax is part of our obligation under the EU-IMF programme. To remind those in the House who appear to have forgotten, this commitment was entered into by the previous Fianna Fáil Government, although Fianna Fáil has tried to fudge this by claiming it only agreed to a site valuation tax, which was a policy of the Green Party, its former coalition partners.

Given this troika commitment and the Government's determination to fix the national finances in a manner which supports job creation, we have chosen to implement the local property tax. The local property tax allowed

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us to keep taxes on jobs, such as income tax, unchanged. Recent ESRI research shows that a property tax has the advantage of being six times more job-friendly than taxes on work and income. This Government is determined to do everything in its power to protect and support the creation of jobs. Recent employment figures show unemployment decreasing on an annual basis and unemployment has declined for the fourth consecutive quarter, with the seasonally adjusted figure falling to below 300,000 for the first time since 2010. The Government has put a priority on getting people back to work and the recent figures are positive in this regard.

Actions for the ninth troika review, which were completed by the end of 2012, included the introduction of a value-based property tax for 2013. While the Government has some scope within the programme to use alternative methods to achieve programme targets, the yield anticipated from the local property tax could only have been achieved by implementing measures which would have significantly reduced overall expenditure on vital public services, along with increasing levels of taxation on incomes and spending. Further such measures, if taken, would have come on top of actions already taken which, it is acknowledged, have a significant impact on the day-to-day lives of our citizens. The Government did not want to add to the already necessary cuts in public expenditure or to place additional costs on job creation.

The arguments in favour of a property tax go beyond our obligations under the EU-IMF programme. The introduction of a property tax is part of a broader approach to the taxation of property. The aim is to replace some of the revenue from transaction-based taxes, which have proven to be an unstable source of Government revenue, with an annual recurring property tax, which international experience has shown to be a stable source of funding. Historically, the abolition of domestic rates followed by the ending of property taxes on agricultural land was compensated for by the imposition of levies by local authorities on new developments as well as by increases in stamp duties on the property transfers. These revenues were dependent on the value and number of property transactions in the economy. Previous over-reliance on this revenue from transaction-based taxes, such as stamp duty, capital gains tax and capital acquisitions tax, led to a significant fall in tax revenue when the number and value of transactions decreased sharply from 2007 onwards. As we have seen, this created huge problems for Ireland's fiscal position.

Ireland was the only country in the OECD that had no recurring property tax and allowed tax relief on rent, on mortgage interest payments, on capital gains by way of principal private residence relief and on capital acquisitions by way of dwelling house relief. This was previously compensated for by way of relatively high rates of stamp duty. Government policy has seen this mix changed through the phased abolition of interest relief, radical reductions on stamp duty rates and the introduction of the local property tax. This is a much more sensible policy mix reflective of what is seen in many other jurisdictions.

This Private Members' Bill is particularly ill-timed given that so much has been achieved to put policy in this area on a much more sustainable footing. I am glad to report that Ireland's economic recovery is continuing with growth forecast at 1.3% in 2013 and just over 2% in 2014. Domestic demand is somewhat stronger than expected. The latest successful auction of the ten-year benchmark bond and strong investor interest is reflective of growing confidence in our fiscal policy and sustained economic recovery. The recent statement from the European Commission, European Central Bank and International Monetary Fund on a visit to Dublin following the tenth review of Ireland's economic programme noted that "Ireland's program remains on track, the gradual recovery is continuing and there have been further improvements in market conditions for the sovereign and the banks". Sustaining this fiscal recovery, along with strict implementation of budget measures, is essential to meet the Government's commitment to a 2013 deficit ceiling of 7.5% of GDP and is key to our ultimate economic recovery. The 2012 fiscal target was comfortably met and the budget remained on track in the first quarter of 2013. The local property tax is a key element of long-term fiscal planning in this regard. The Commission statement went on to say that "the key objectives of Ireland's EU-IMF supported program are to address financial sector weaknesses and put Ireland's economy on the path of sustainable growth, sound finances and job creation, while protecting the poor and most vulnerable". I stand over the introduction of the local property tax and I am satisfied that poor and the vulnerable are protected and that this represents a responsible revenue-raising measure which is a tax on assets, not employment, and so will not adversely affect job creation.

It is against this backdrop that the local property tax has been successfully introduced and we can now look forward to a stable source of funding which is fair and progressive with the owners of the most valuable properties paying most. The tax is equitable, has reference to ability to pay, conforms to international norms and will significantly broaden the domestic tax base. I congratulate the Revenue Commissioners on the successful administration of the tax to date. I understand that in excess of 1.55 million local property tax returns have been filed to date. At the end of May, over €121 million had already been transferred to the Exchequer, which is a significant sum given

that payment of the tax is not due until 1 July 2013. Further payments will be collected between July and December 2013 as the various phased and other payment options available to property owners are met. As Members are aware, local authorities and other providers of social housing are not due to pay LPT for 2013 until 1 January 2014.

I will now recap on some of the significant features of the local property tax. The introduction of the local property tax provides an opportunity for political reform at local government level. The local property tax will provide a stable funding base for local authorities. From 1 January 2015, local authorities will have discretion to vary the rate by 15% above or below the national central rate which is 0.18%, up to €1 million in value and 0.25% on any excess over €1 million. This fact apparently came as a surprise to some Members recently, despite it having been announced in budget 2013. It was again announced when the legislation was published and it has been debated thoroughly in both the Dáil and the Seanad. One would wonder whether some Members come here at all or if they ever listen to debates. Allowing local authorities an element of responsibility for raising local revenue can increase the level of oversight of local authority operations. It will encourage greater efficiency by local authorities on behalf of their electorates. This will reinforce democracy in local government. I am very pleased that Deputy Pearse Doherty tonight committed his party to exercise the option to lower the property tax and to campaign on this basis in the local elections. That is how local democracy should operate. If people want more services they can propose increases in tax and if people think it can be run on a tighter basis they should propose reductions in tax. We welcome Deputy Doherty's initiative and we hope that local councils that can afford it will use their discretion to reduce the property tax.

I will turn now to the issue of ability to pay. For individuals on low incomes, the Finance (Local Property Tax) Act 2012, as amended, provides for the possibility of deferring the charge to local property tax in certain cases. To qualify for a deferral, the residential property must be occupied as a sole or main residence. The income thresholds for a full deferral will be €15,000 for a single person and €25,000 for a couple, whether married persons, civil partners or cohabitants. An increased income threshold applies in the case of properties occupied as a sole or main residence and subject to a mortgage. In such cases, the gross income thresholds may be increased by 80% of the mortgage interest payments. A deferral option in qualifying cases in this regard will apply until the end of 2017 and will assist individuals currently in mortgage distress. A deferral of up to 50% of the local property tax liability will be possible where the gross income of the liable person does not exceed €25,000 for a single person or €35,000 for married persons, civil partners or cohabitants. A deferral of 50% of the local property tax liability will also be available where gross income does not exceed the above thresholds of €25,000 single, €35,000 couple, as increased by 80% of the gross mortgage interest payments that a liable person expects to make by the end of the year for which the gross income is being estimated. This mortgage-linked partial deferral will also be available until 31 December 2017. It is interesting to note that of more than 1.5 million returns the percentage seeking deferral is nugatory, at less than 3%. That is a fair indication that the public regard this as a fair tax and that they have an ability to pay it because they did not seek deferral----

**Deputy Pearse Doherty:** The Minister will always get a job as a stand-up comedian.

**Deputy Michael Noonan:** ----even though the options were available. Some property owners may find themselves unable to pay the local property tax but do not qualify for a deferral under the income conditions. For this reason, the Finance (Local Property Tax) (Amendment) Act 2013 provided that a person who has entered into an insolvency arrangement under the Personal Insolvency Act 2012 may apply for deferral of the local property tax that is due during the period for which the insolvency arrangement is in effect. The 2013 Act also provides that a person who suffers both an unexpected and unavoidable significant financial loss or expense, as a result of which he or she is unable to pay their local property tax without causing financial hardship, may apply for full or partial deferral. Claims for this type of deferral will require full disclosure of the person's financial circumstances, supporting documentation and any other information required by Revenue and following an examination of the information provided, Revenue will determine whether deferral should be granted. The detail of how this type of deferral will operate and the criteria that will be used to determine eligibility will be set out in guidelines due to be published by the Revenue Commissioners shortly.

This Private Members' Bill is all the more difficult to take seriously given that Sinn Féin, the proposer, sits in government in the Northern Ireland Assembly and on local authorities in Northern Ireland. It presides over domestic rates in that jurisdiction which are significantly higher than the rate of local property tax introduced by the Government. As Deputy Doherty should be aware, domestic rates in Northern Ireland are in two parts - the district rate is set by the local council and the regional rate is set by the Assembly. Sinn Féin participates fully in the setting of both rates across Northern Ireland. The average domestic rates bill in Northern Ireland in 2011-12 was almost £790, equivalent to approximately €916, whereas here, available statistics indicate that the average market value



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of Irish residential properties is in the €150,000 to €200,000 range, with a full year local property tax of €315, just over one third of the average domestic rates bill in Northern Ireland. I ask how can Sinn Féin Deputies, in all seriousness, propose the abolition of a property tax in this Republic at an average of €315 when their colleagues in Northern Ireland are imposing an average property tax of €916-----

**Deputy Pearse Doherty:** Free health, free education, free septic tanks, free school books. The Minister does not want to hear.

**Deputy Michael Noonan:** You are reverting to one of your worst traditions, of being partitionist and sectarian, you pose as the Republican Party but -----

**Acting Chairman (Deputy Thomas P. Broughan):** Please speak through the Chair, Minister.

**Deputy Michael Noonan:** -----your policies prove you to be partitionist because you have one law which you justify in Northern Ireland and you have another law which you deplore in the South; it is the same law.

**Acting Chairman (Deputy Thomas P. Broughan):** Through the Chair, please Minister.

**Deputy Pearse Doherty:** You are hilarious.

**Deputy Michael Noonan:** Lads, if you ever want to aspire to be over here, would you ever grow up and take these issues seriously?

**Deputy Mary Lou McDonald:** The 1.9 million people do not think it is funny.

**Acting Chairman (Deputy Thomas P. Broughan):** Through the Chair, please, Minister.

**Deputy Michael Noonan:** If you ever want to come across here, would you ever grow up and stop playing the kind of silly games you are playing here tonight?

**Deputy Pearse Doherty:** Is that what you told Deputy Kenny when he said it was morally unjust or when you told Deputy Gilmore to grow up and stop playing silly games?

**Acting Chairman (Deputy Thomas P. Broughan):** The Minister's time is up.

**Deputy Michael Noonan:** Is it? I have some very good lines left but you can read them on the record of the House.

**Deputy Gerald Nash:** I will try to use some lines which the Minister may have used. The legislation before us tonight is an absolute con-job of the highest order. If Sinn Féin Deputies and councillors up and down the country really believed that this tax should be abolished, then they would have steadfastly refused to pay it. I applaud those Sinn Féin Deputies and councillors who accept that taxes legitimately passed by this House to pay for public services should be paid and have been paid. However, Sinn Féin's record in this House and beyond since this Government took office proves that they have little or no interest in any semblance of constructive opposition. They prefer trading on fear over hope, preferring anarchy over stability if it means they could stick it to the Government, regardless of the damage to Ireland's prospects.

**Deputy Martin Ferris:** We keep our word.

**Deputy Gerald Nash:** In my opinion, Sinn Féin can have their brand of mock patriotism if all it involves is using every tired trick in their play book to tear asunder the hard-won stability in the public finances on which families up and down this country depend. It is amusing to find a common policy platform shared by Sinn Féin and the populist king of Bunga Bunga, Silvio Berlusconi. Both want to scrap property taxes - one in Ireland and one in Italy - and then hand the cash back. These are strange bedfellows indeed. A party that claims to be of the left getting into bed, literally, with Silvio Berlusconi, poster boy of the right. Bang bang versus bunga bunga.

**Deputy Sandra McLellan:** Like Labour is going in with Fine Gael.

*(Interruptions).*

**Deputy Gerald Nash:** As a socialist, I support the concept of a tax on property. I always have.

**Deputy Pearse Doherty:** The Deputy has started pulling that one - “as a socialist”.

**Deputy Gerald Nash:** Rates should never have been abolished as they were in 1977 when Fianna Fáil bought an election and drove the country to the brink of bankruptcy. Little did we know that 30 years later it would finally accomplish the trick. Had we had a property tax in place then, we might have tempered the insane property bubble which dragged our economy into ruins. We were the only country in Europe which did not have a property tax.

**Deputy Pearse Doherty:** Why did your leader call it perverse?

**Deputy Gerald Nash:** There has always been one in Northern Ireland, where Sinn Féin happily collects £1,000 sterling on ordinary three-bedroom semis just across the Border from my constituency.

**Deputy Brian Stanley:** That is inflation.

**Deputy Gerald Nash:** Of course, Sinn Féin will tell us that a whole range of services are received in return, with exceptions. Free bin collection - I do not think so. In the North there is no automatic entitlement to free school uniforms, buses, or school meals as Sinn Féin would have us believe. While there are grants and exemptions which can be applied for by social welfare recipients, the rates are far lower than ours and there are no back-to-school grants. The children’s allowance given to families in the North is less than half of what we provide and is quickly taken back in taxes from even middle-income earners. Despite the fact that families in the North receive a rawer deal than down here, Sinn Féin has never sought to have property taxes in Northern Ireland abolished.

**Deputy Mary Lou McDonald:** That is because they do not exist.

**Deputy Gerald Nash:** It is amazing. Why is that? Perhaps, it is because in the North, as the Minister pointed out, Sinn Féin is in power. It has to govern and cannot get away with the kind of populist spoofing its members engage in down here. This fact is at the very heart of the monumental con-job the legislation before us represents.

Leaving aside the ludicrous conflicts between Sinn Féin’s position North and South of the Border, let us look at its alternative proposals to raise revenue down here. Sinn Féin talks about wealth taxes as an alternative. I agree with wealth taxes, €500 million worth of which Labour implemented last year. While we all accept that there is more to do, it is notable that Sinn Féin’s proposed wealth taxes excluded pension pots, family companies, farms and properties worth up to €1 million. It is incredible stuff. In the world in which I live, one does not have to be a fully fledged millionaire with a Rolls-Royce under one’s backside to be considered better off. Sinn Féin wants to introduce a third rate of income tax, but cannot agree on which figure to pluck out of the air to indicate how much it would raise. On the Sinn Féin website right now, two completely different figures are suggested of €365 million and €410 million, respectively. How can anyone be expected to take Sinn Féin seriously when it does not even attempt to present a coherent alternative?

Sinn Féin has a long history of being wrong on just about everything when it comes to the economy. Notwithstanding that it was wrong about the bank guarantee, for which it voted, and on the cure for the bank guarantee, which it voted against, it seeks brazenly to tell us how we should use the €1 billion a year saved through that cure - the promissory note deal. Sinn Féin is now wrong on the property tax. Sinn Féin - ourselves alone - is always wrong. I will not be supporting the Bill.

**Deputy Pearse Doherty:** Surprise, surprise.

**Deputy Sandra McLellan:** Who wrote that for Deputy Nash?

**Deputy Damien English:** As always, I welcome the opportunity to speak in the Chamber. I am particularly glad to speak on the Finance (Local Property Tax Repeal) Bill 2013, which is on the Order Paper in the name of Deputy Pearse Doherty. I commend Sinn Féin on its evolution over the years into a mainstream political party, an evolution that could not have been imagined when I was born in 1978, or, indeed, for much of my life, including my political life. Evolution, however, means discarding old processes, symptoms and habits that are not fit for the modern era. That includes old-style politics. The vitally-needed peace process on this island, worked on tirelessly and peacefully by all parties in the Chamber, has created an environment in which people are willing to listen to Sinn Féin and give it a chance. I have no problem with that and worked very constructively with the party at local authority level for many years.

Protest politics, the politics of populism and being against everything have brought Sinn Féin 17 seats in the

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Dáil and Seanad and 54 seats on local authorities and, like Robert Redford in the film “The Candidate”, many genuine, thinking members of the party are asking themselves “what do we do now?”. Their answer is to reach for the magic pen at every opportunity. This is the pen that dreams up all these imaginary figures, jobs, stimulus plans and legislative provisions, which are simply not possible. The politics of protest and courting popularity are tempting and easy. It would be an easy route for anyone to take. As the late Robert Kennedy, assassinated 45 years ago this month, told us, 20% of the people are against everything all of the time. The safe, comfortable and cynical place in politics is to play to that 20% all of the time. It is not honest politics, however, and it does not deliver real results that make a difference in people’s lives. It is certainly not leadership. Worse than pandering to the 20% who disagree with everything is the creation of false hope. That is what the party is doing. We had it from Fianna Fáil previously. When it gave people false hope, they ran out and borrowed money based on false pretences, low taxes and thinking they would have high wages for the rest of their lives. Sinn Féin is as bad.

Many good decent workers for their own local communities in Sinn Féin know why the property tax was introduced. They know the historical underfunding and lack of real powers suffered by local government. Sinn Féin has often called by way of council motions and press statements up and down the country for more footpaths, lights, ramps, public parks, street cleaning, local services and better, safer public water. These demands are the battlecries of Sinn Féin councillors and Oireachtas Members up and down the country and they will grow louder over the next 49 weeks or so as we face into the local elections. All parties do it, as will Sinn Féin. Government, national or local, is not a deep bottomless well of money or solutions. Deputy Doherty knows that as an able handler of finance who knows his stuff. It is amazing that he would invent a Bill like this, as if it were possible to wash away the property tax. In efforts to win back our economic sovereignty from the trioka, the country and, more important, the politicians who serve in it should recall better than most the old saying that money does not grow on trees. In presenting this simplistic, cynical and false-hope raising Bill today, Sinn Féin displays its ignorance of or, worse, indifference to the state of the country. Deputy Adams gets great publicity from his stories about his teddy bear, but the Bill proves that all of Sinn Féin’s members believe in fairy tales. Their vision for Ireland is one of endless rainbows and crocks of gold. They show their ignorance of the great collective effort required from all parties, public figures and institutions to win back our economic sovereignty, a battle we are slowly but steadily winning. We accept that it is a slow process. There is no quick fix. There is no magic pen, as Sinn Féin must realise.

Sinn Féin does a huge disservice to socialism and the great socialist leaders and thinkers of Ireland’s past with its exercise today. What is Sinn Féin doing in the North? In fairness, it is being responsible and taking tough decisions, as it should. Up there, Sinn Féin is closing small schools and collecting council taxes of the order of £1,000 per annum. It is rationalising hospitals and creating regional health structures and centres of excellence. It is rationalising local government and operating in a system where there is a single water agency and water is seen as a precious resource to be valued and not wasted. It gives a totally different impression in the North than it does down here. I will not get into the argument that this is how politics works for some people, but Sinn Féin’s unique position, North and South of the Border, in two separate governmental systems, exposes its cynicism on a huge stage. Despite that large stage and increasing public awareness of its differing positions North and South of the Border, it persists in the act. Sinn Féin persists in the charade of offering false hope to vulnerable people who deserve better than to be played with and used.

**Deputy Michael McCarthy:** I make the historical point about a fundamental mistake which was made not in the last five or six years, but in 1977. The manifesto which led to that year to an overall Fianna Fáil majority is remembered nowadays for the abolition of rates on houses and tax on cars. That is democracy. People have a menu of policy options for which they can vote, but it led in many ways to the destruction of the economy in the late 1970s. On two occasions in the 1980s, Fine Gael and the Labour Party attempted to clean up that economic mess. One could argue reasonably and logically that it was not dealt with until the early 1990s and the rainbow Government which was, in effect, almost the same Administration which has dealt with the current economic catastrophe. It took generations and a number of different Dálaí to deal with the fundamental economic mistakes made in the 1970s. In a major way, that led to a narrowing of the tax base. While I will not overburden the debate with statistics, during the Celtic tiger years, from 1995 to 2000 we had export-led GDP. It was a healthy, thriving part of the economy. From 2000 to 2005, it was the property bubble, and anyone who offered a contrary view or warned of the dangers of a property bubble and the reliance on building houses and selling them to one another was accused of talking down the economy. That, along with the banking crisis, has led us to where we are now. At the end of February 2011, the easiest decision for the current Administration was to remain in opposition but the people had spoken clearly. The rate of economic recovery is slow and arduous but it exists. There is political stability in the country, which we did not have, on top of an economic crisis, for many years. In many respects, that led us to being the basket case of Europe. When the last Administration went to Brussels, cap in hand, we knew how low our standing was in Europe by the very bad deal the Irish taxpayer got.

Coming out of that, tackling the banking crisis, fixing the economy and tackling the major unemployment problem is the preoccupation of an Administration that is working night and day to do so. Any political party worth its salt, which puts forward constructive proposals on how to win back economic sovereignty and get the country working in every respect, is worthy of a mention. This is populist politics that will not work. All parties will be known by their policies but the Sinn Féin policy proposed on the bank holiday earlier this year was ill-advised although not populist. This Bill is populist and will not work. It would add to and exacerbate the economic abyss the Government must fix.

Some 80% of the property tax will go to local services. Anyone who wants to see playgrounds, development, public lighting and footpaths must believe in the principle of a local property tax to fund those initiatives. On a house valued at £150,000 in Antrim, the property tax is just under €1,300. A house valued at £75,000 in Coleraine pays just under €600 and a house valued at £100,000 in Strabane pays property tax of €840. Once Sinn Féin proves in the North that abolishing property tax works, I am sure the Government will be favourably disposed to look at the ingenious policy behind the proposal and may even test it here.

**Deputy Michael McGrath:** I welcome the opportunity to speak on the Finance (Local Property Tax Repeal) Bill 2013 sponsored by Sinn Féin. For a matter of such importance as the operation of revenue collection in the State and the funding of local government, the Bill is extraordinarily lacking in detail. The immediate implementation of the legislation, which is presumably what Sinn Féin is calling for, would leave a €250 million black hole in the public finances this year and that must be central to the debate on the Bill. Fianna Fáil will support the Second Stage passage of the Bill so that we can finally have a proper debate on Committee Stage on the local property tax.

When the local property tax legislation was brought forward last December, Fianna Fáil opposed it on five key grounds - the unresolved mortgage arrears crisis, which continues to grow; the inadequate provisions for people with inability to pay the tax; the fact that large numbers of people have no equity in their home or are in serious negative equity; the moribund state of the housing market that shows no sign of recovery, particularly outside Dublin; and the large upfront property taxes that had been paid by many people in the form of stamp duty in the past decade. In the end, we never got to have meaningful debate on the amendments I and other Deputies put forward as the Government, not once but twice, guillotined debate on the local property tax.

**Deputy Michael Noonan:** This is a total fraud. Fianna Fáil agreed this with the troika but now it will not vote against this nonsense. Fianna Fáil is running from Sinn Féin.

**Deputy Michael McGrath:** This was shameful and completely unnecessary. The points we and others raised at the time are every bit as valid today as they were in December and earlier in the year. When we discussed the local property tax in December, I took issue with the contention of the Minister for Finance that the tax was fair and progressive and that the wealthiest would pay the most. It is clear this is not the case as liability for the tax takes no account of ability to pay, with the exception of single people on less than €15,000 and couples on less than €25,000 per year.

I listened to the comments of the Minister hailing the low rate of people who opted for deferral as evidence that people have the money to pay. The people who came in to me were mainly elderly people who qualify for a deferral but they felt so guilty about deferring it and passing it onto the next generation that they felt an onus to pay the tax. I helped many of them to complete their returns, on paper and online.

Houses do not represent a store of wealth for Irish families. In the case of many families, their property is their home and they have no intention of selling. We have to reserve judgment on the latest announcements on the mortgage arrears targets brought forward by the Government and the Central Bank as it is too soon to see the impact of the targets, which begin to kick in at the end of June. The formula put forward in March by the Minister for Finance in effect leaves the banks in the driving seat. The banks got what they wanted without giving anything meaningful in return. The Government pushed through its Land and Conveyancing Law Reform Bill to make home repossession easier before the banks had been required to demonstrate the willingness and capacity to deal with the mortgage arrears crisis in a tangible way.

The domestic economy is, at best, stuck in neutral. Services exports are doing well, goods exports are contracting in view of the ongoing difficulties in the eurozone and the wider global economy, consumer confidence remains fragile and the 426,900 people on the live register will take no comfort in the Government's claim that it has achieved 95% of the targets under the Action Plan on Jobs.

I hold to the view the local property tax was not the correct measure to be introduced in 2013. In our budget

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proposals last December, we set our alternatives to the introduction of the local property tax. Recently, one of the large supermarket chains cited the introduction of the property tax as a key reason consumers are not spending in the shops. When the tax was introduced, I predicted it would have a disproportionately negative impact on the economy and those most vulnerable in society. I believe this has been borne out.

Other measures could have been taken in 2013, including consumption tax measures, restriction of pension tax relief and examining the universal social charge on incomes in excess of €100,000. However the Government chose not to take these ideas on board.

While the public finance targets remain broadly on target, and we welcome this, receipts under some key tax headings are under pressure and must be monitored. The effect of the Sinn Féin Bill, if implemented immediately, is that Ireland would require a mini budget immediately or in July, to be followed by the 2014 budget in mid-October. The Bill requires the €120 million paid by householders to the Revenue Commissioners to be repaid as quickly as possible. It also involves not deducting payments from those who have signed up for the single debit authorisation due on 21 July and the cancellation of debit direct authorisations. That is what the Bill proposes if the House enacts it.

I am not aware of any occasion in the history of the State where, halfway through the year, the State has made an across-the-board tax refund in respect of a particular tax that had been levied lawfully by the Oireachtas. That is not a credible position and it is not a politics I subscribe to, no matter how popular. The correct time to review all taxes, including the local property tax, is on a calendar year basis. The abolition of taxes, the reform of taxes and the introduction of new taxes should be done in the annual budget except in emergency situations. We can all agree that we have had too many emergency fiscal measures, introduced by my party, over the past number of years.

Fianna Fáil will vote tomorrow night to allow the Bill go to Committee Stage in order to shape the type of amendments that should have been discussed at more length. I dispute the Minister's assertion that we had something akin to a proper debate in this House in December or in the new year. We did not. The Minister sat through those proceedings and knows we only reached section 1. At the time the Minister blamed the Opposition for engaging in Second Stage speeches on Committee Stage, but the reality is that amendments of real substance were tabled but they were not even debated.

**Deputy Michael Noonan:** The Deputy is voting for this Bill after all he has said.

**Deputy Michael McGrath:** Whatever about insisting that it be rushed through in December for implementation in January-----

**Deputy Michael Noonan:** The Deputy is running away from Sinn Féin.

**Deputy Michael McGrath:** -----the fact that the amendment Bill could not be debated in the House in a proper fashion is regrettable.

Like the Government, Sinn Féin and other Opposition groups, Fianna Fáil has already commenced work on our proposals for budget 2014. These will be published in advance of the mid-October budget to be introduced by the Minister.

The timing of the introduction of this Sinn Féin Bill has the hallmarks of a policy motivated by political opportunism and a desire to stem the slide in support for Sinn Féin, as reflected in both the national opinion polls and the recent Meath East by-election. This brings me to the issue of the wealth tax, which has been raised by Deputy Doherty and others tonight. It has been the centrepiece of Sinn Féin's pre-budget submissions for the last two budgets. The party claims it will bring in revenue of approximately €800 million per annum. Sinn Féin launched its proposals last November and said at the time that it was its intention to table a Private Members' motion on the issue at the earliest opportunity. I have not yet seen the details of that.

**Deputy Pearse Doherty:** The legislation is written and the Deputy knows there is a bar on Opposition legislation that will impose a financial cost on the State.

**Acting Chairman (Deputy Catherine Byrne):** Deputy McGrath has the floor.

**Deputy Michael McGrath:** The Deputy could have introduced a motion.

**Deputy Pearse Doherty:** The legislation is there.

**Acting Chairman (Deputy Catherine Byrne):** Deputies should address their remarks to the Chair.

**Deputy Michael McGrath:** My point is that if Sinn Féin was serious and honestly believed in the veracity of the €800 million figure, the full details would be published.

**Deputy Pearse Doherty:** They are published.

**Deputy Michael McGrath:** I have them with me. They are not published.

**Deputy Pearse Doherty:** We wrote the legislation.

**Deputy Michael McGrath:** They are not published, but I will go through them now because we would love to have a debate on this.

**Deputy Pearse Doherty:** The only party that can introduce that Bill is the Government.

**Acting Chairman (Deputy Catherine Byrne):** Deputy Doherty, only one speaker has the floor and that is Deputy McGrath.

**Deputy Michael McGrath:** If there is €800 million available to be tapped, let us examine it and subject it to independent scrutiny. That would do everybody in the House a great service. Perhaps Deputy Finian McGrath might like to analyse it in detail.

Sinn Féin would have us believe that this magic wealth tax will deal with the black hole at the heart of the public finances. The proposals were published last November and include, for example, a rate of 1% tax on net wealth over €1 million, with working farms, business assets, 20% of the family home and pension pots excluded. I am at a loss to know why those proposals have not been pursued further by the party since last November. I have no doubt that a mechanism could be found within Standing Orders to have a proper debate on the wealth tax proposed by Sinn Féin. Certainly, the sums of money involved are dazzling. Apparently, there is a pot of €800 million per annum to be tapped, if only the Sinn Féin proposed wealth tax was implemented. With the stroke of a pen a huge chunk of our budgetary needs would be met.

Perhaps the reason Sinn Féin has not pursued its wealth tax proposal any further is the fact that it knows its figures are without foundation. In its pre-budget submission, Sinn Féin cites the example of Ciarán. He is an extremely well-off individual with a home worth €1.2 million, an after-tax income of €200,000, an investment portfolio of €400,000, a pension pot of €500,000 and cash savings of €75,000.

**Deputy Michael Noonan:** He must have been robbing banks.

**Deputy Michael McGrath:** He must be a very poor saver if he only has €75,000 saved. The wealth tax proposed by Sinn Féin would impact on Ciarán to the tune of €7,150 per annum. Leaving aside the fact that Sinn Féin appears, or has chosen, not to understand the difference between wealth and income, raising €800 million from a wealth tax such as that would require the equivalent of 155,000 Ciaráns in Ireland if annual income is excluded or 111,000 Ciaráns if annual income is included in the wealth tax calculation. I do not know too many Ciaráns and I very much doubt that there are well over 100,000 of them. I would certainly like to meet them and introduce them to the Revenue Commissioners to see how more tax can be extracted from them within the scope of existing legislation.

I would genuinely welcome a debate on the wealth tax proposal, because that is our analysis of what would be involved if there is €800 million available. To be fair, the Deputy has acknowledged it might not be €800 million. He referred to some comments the Minister made in the past that it could be between €300 million and €500 million. However, even that would make a massive contribution to closing the deficit, so let us have the debate, get the facts and scrutinise the proposal in detail. It would serve the national interest considerably to get to the bottom of that issue. Are there really tens of thousands of people in Ireland who will fall into Sinn Féin's wealth tax net, such that €800 million will be raised? I very much doubt it. A Merrill Lynch report which the party cites estimated that there were more than 18,000 people living in the State with assets of more than \$1 million or €778,000. I have reached the inescapable conclusion that the Sinn Féin tax proposals simply do not add up.

It is not just in regard to the money that can be raised from a wealth tax that Sinn Féin has been leading people

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up the garden path. In 2011, before the introduction of the household charge, a Sinn Féin spokesperson confirmed that at least five of the party's 14 Deputies would not be paying the charge. At the time, the party's spokesperson stated that he would not pay the charge. Those who were considering non-payment were clearly given the impression that Sinn Féin would stand by them and stay the course with them. However, since then Sinn Féin has run away from non-payment. Those who were led to believe that non-payment was a viable option in the long term are faced with the fact that the household charge arrears will be converted into a local property tax for collection by the Revenue Commissioners. An annual interest charge of 8% per annum applies to late payments of the property tax. This will be a massive blow for many families. Sinn Féin and others who were equivocal about whether people should pay the tax must bear some of the responsibility for this.

**Deputy Pearse Doherty:** That is nonsense.

**Deputy Michael McGrath:** I acknowledge that Sinn Féin did not advocate that people should not pay the tax, because that is a fact. However, with senior figures in Sinn Féin saying publicly that they intended not to pay the tax, it gave comfort to others of far fewer means not to pay the tax as well. Those people will now have to pay a great deal more money to clear their taxation liabilities-----

**Deputy Pearse Doherty:** Your party designed and negotiated it with the troika.

**Deputy Michael McGrath:** -----and to get a tax clearance certificate. That is the reality.

**Deputy Pearse Doherty:** Your party put the tax into the troika programme. That is where they were led up the garden path.

**Deputy Michael McGrath:** Quite simply, it sought to exploit people's difficulties with payment of the tax and, if not directly, certainly by implication, encouraged non-payment by the leadership that all Members of this House are required to show.

We will support the Bill on Second Stage to allow for a proper Committee Stage debate on the property tax. The property tax, in terms of its reform or abolition, must be considered in the context of budget 2014. The Minister has shown his hand. He is refusing to take account of the genuine difficulties people are facing. Deputy Pearse Doherty is correct to point out the serious imposition from 1 January next year due to the doubling of the charge. That is the issue people will have to deal with over the Christmas period. The charge will be doubled. People in the average band 3, of €150,000, paid €157. That will be €315 immediately after Christmas. That will be a major problem for people and the starting point should be to acknowledge that.

**Deputy Finian McGrath:** I am grateful for the opportunity to speak on this Private Members' Bill on the property tax or, as I call it, the home tax. This Bill seeks to repeal the local property tax and I thank and commend Deputy Pearse Doherty and Sinn Féin on bringing it forward.

I am the only Deputy from Dublin North-Central who voted against the property tax in the Dáil. The tax was an attack on the family home and on many families who are struggling to survive. There is a worsening crisis in respect of mortgage arrears, with over 100,000 families suffering in that situation. People have seen cuts to their child benefit, respite care grant and PRSI increases. Now the target is the family home. This is not a wealth tax, as some members of the Government have tried to portray it. There are no exemptions for the unemployed, the disabled, flood victims or the lower paid.

*9 o'clock*

That is some wealth tax. What planet is the Government on? Some 62% of the long-term unemployed have been without a job for more than one year. The Government has slashed the wages of good public servants. It is an absolute disgrace to proceed to tax their family homes. The policy is not working and we need the Government to wake up to this reality.

The Government is spending time hounding the people to whom I have referred and also the SME sector. Some 180,000 small and medium-sized businesses, which employ 900,000 people, already have their backs to the wall given all the costs and the austerity. The SME sector represents 69% of the workforce and is worth more than €40 billion to the economy each year. Austerity and home taxes are not working. The Government should wake up and deal with the real issues facing the people.

*Dáil Eireann*

With regard to the property tax, some people cannot afford to pay between €200 and €400 per year if child benefit is cut at the same time. Even the Fine Gael manifesto stated a recurring residential property tax on the family home is unfair. What has occurred represents another broken promise and more hot air from the Government. Local authority tenants will have the tax passed on to them in their rents, despite the fact that they have no property at all. This makes a mockery of the Labour Party's view that it is a wealth tax. Let us nail this on the head for the final time. The Government has tried to bring in other charges. I strongly support the legislation.

**Deputy Catherine Murphy:** I welcome the opportunity to speak on the Bill. I put my concerns on record when the amending legislation was going through. These included the issue of people who have paid stamp duty. People will be paying property tax on a debt. The Government did not take account of a person's ability to pay and there is a lack of meaningful local government reform.

I am being asked time and again what one gets for the property tax. Expectations are being heightened, including tonight. The tax will be doubled next year. In 2009, the local government fund accounted for €999 million, at its height. This has reduced by €535 million. When one considers commercial rates, water charges and other charges, one realises that the €500 million that the property tax is estimated to yield in a full year will just replace what has been removed at national level, essentially to pay the interest on a national debt that was not, in the main, of our making. When one considers this in the context of the way that the needs-and-resources model functions in respect of how the money will be distributed at local government level, one realises there will be really serious problems next year. People will be rightly asking what they are receiving for the property tax. There will be nothing visible for what they are paying. The notion that the tax will fund parks, playgrounds and all the other facilities that were mentioned tonight is just a fantasy.

Debate adjourned.

**Social Welfare and Pensions (Miscellaneous Provisions) Bill 2013: Committee Stage (Resumed) and Remaining Stages**

SECTION 1

Debate resumed on amendment No. *a1*:

In page 5, line 19, after "8," to insert "15,".

- (Minister for Social Protection)

**Acting Chairman (Deputy Catherine Byrne):** The Minister, Deputy Burton, is in possession.

**Minister for Social Protection (Deputy Joan Burton):** I have finished what I had to say.

Amendment put and declared carried.

Section 1, as amended, agreed to.

Section 2 agreed to.

SECTION 3

**Acting Chairman (Deputy Catherine Byrne):** Amendments Nos. 1 and 2 have been ruled out of order.

Amendments Nos. 1 and 2 not moved.

Section 3 agreed to.

Sections 4 and 5 agreed to.

SECTION 6

**Acting Chairman (Deputy Catherine Byrne):** Amendments Nos. 3 and 6 are related and may be discussed



together.

**Deputy Aengus Ó Snodaigh:** I move amendment No. 3:

In page 7, between lines 29 and 30, to insert the following:

**“Social Welfare Appeals**

**6.** The Social Welfare Appeals Office shall ensure that all appeals are processed and responded to within 21 days of receipt of the application to appeal a decision.”.

At present, despite the good work of the Social Welfare Appeals Office, there is still an unacceptable delay affecting social welfare appeals. There is no set time for responding to appellants. When framing this amendment, I was mindful of the fact that it did not represent a final conclusion. I would love to be able to say that all social welfare appeals could be finalised by a set date but I am realistic enough to realise there are very complicated appeals that sometimes take quite a long time to deal with. Although it is very rare, this can be to the benefit of the appellant in that he or she may be afforded time to chase up contributions, especially those made abroad. In the main, there is no justification for delays of ten or 11 months in the processing of appeals, even in respect of summary decisions. I have commended the Department and the Minister on taking steps that have, to some degree, reduced the number on the waiting list for a period, only to realise on re-examining the matter that it seemed to shoot up once again. At the very least, when files are transferred to the Social Welfare Appeals Office, the appellant should receive an indication that an inspector has been appointed and be given some indication of the waiting period. One finds that people contact not only the Social Welfare Appeals Office but also our offices to try to find out how long they will be waiting. I refer to appellants who are sometimes in dire straits or who are sometimes totally dependent on the supplementary welfare allowance, which is not always paid at the maximum rate.

Appeals related to medical matters take longest. There is no reason for them to take so long. A closer working relationship needs to be built up between the Social Welfare Appeals Office, the hospitals and HSE to allow for a quick release of files or for consultants to release the required documentation to facilitate appeals. Consultants have a waiting list for the typing queue which applicants are waiting on. That causes a problem at the initial application stage and also at a later stage.

In some cases, I cannot figure out why there would be any reason for delays of 30 or 40 weeks. We all recognise there has been a huge jump in the number of people who are dependent on and applying for social welfare. In a reply the Minister said there was a jump from 17,500 in 2009 to 32,000 last year, and the same is probably the case this year. It shows the scale of the dependency in this State on the social welfare system.

If appeals were processed and expedited within a set timeframe set in primary legislation and if waiting lists were dealt with in the same way the system would improve. If it is dealt with in the same manner the Minister indicated family income supplement was dealt with, we would be a long time waiting to address the social welfare list. More social welfare inspectors and additional appeals officers need to be appointed to ensure that, for once and for all, we bring the list under control and it does not increase thereafter.

**Deputy Willie O’Dea:** Amendment No. 6 states:

In page 14, between lines 21 and 22, to insert the following:

**“9.** Section 311 of the Principal Act is amended by inserting the following subsection after subsection (3):

**“(4) (a)** An appeals officer shall decide an appeal within a prescribed time of 60 working days from the date of receipt of the appeal.

**(b)** Where notice of a decision under section 311 is not given to the appellant who made the appeal concerned before the expiration of the period specified in section 311(4)(a), a decision upholding the appeal shall be deemed to have been made upon such expiration.

**(c)** An appeals officer may apply to the Chief Appeals Officer for an extension of time to consider the appeal in exceptional circumstances but the appeals officer must demonstrate the reasons for the delay and the appellant shall be informed of the reasons for

the delay in writing.”.

This amendment seeks to achieve the same objective as amendment No. 3.

Those who apply for invalidity pensions are usually in pretty dire conditions. I have a number on my files who, despite various medical ailments which I will not go into, have been refused invalidity pensions on the basis that they are not sick enough. People who apply for disability or carer’s allowances are finding initial applications can take up to a year. I know of cases which took more than a year.

In a reply to a recent parliamentary question, the Minister said an appeal for an invalidity pension, disability allowance or carer’s allowance decision will take about nine months. That is without an oral hearing. If there is an oral hearing it could take longer. We are talking about average times; some cases could take longer. Somebody caring for a very ill relative who applies for carer’s allowance, fails and has to appeal could be waiting for two years or more. That is not acceptable. The same applies to invalidity pensions and disability allowance.

The Minister has taken some steps, as has been said, to reduce the time within which appeals can take place, but unfortunately it always seems to creep up again. My experience is that the waiting times are now the same, if not worse, than before. My amendment is simple, namely, that the chief appeals office has 60 working days, or 12 weeks, to decide on an appeal. If it cannot decide on an appeal within that period, the appeal will be deemed to have been successful.

I recognise that there can be exceptional circumstances or peculiar situations where, for one reason or another, an appeal cannot be decided within that timescale, and I am providing for that. An appeals officer can apply to the chief appeals officer for an extension of time, but he or she must demonstrate the reasons for the delay and the applicant must be informed of the reasons for the delay in writing. That is a perfectly reasonable amendment.

People waiting for decisions on carer’s allowance, invalidity pensions and disability allowances have already spent quite a long period waiting for an initial decision. They face the prospect of waiting nine months or more for an appeal, or longer if the case has to go to an oral hearing. Increasingly we advise people to go to an oral hearing when they appeal because their chances of success increase by about 50% or 60%.

At the time of the first Croke Park agreement I recall one of its kernel parts was mobility of staff between Departments. Staff from FÁS have gone into the Department of Social Protection. Community welfare officers do their jobs, as do FÁS staff. There is an appalling lack of staff in local offices in Limerick and Ennis which is causing great hardship. I am not trying to make a political point.

I spoke to a number of social welfare officers today. The absence of staff is leading to untold misery among some of the most vulnerable people in my constituency and surrounding areas. Excluding those who are on activation schemes in FÁS and community welfare officers who are doing the job they did when they were under the aegis of the HSE, how many new staff have been redeployed to the Department of Social Protection?

Without wanting to be insulting or condescending in any way to the public service, I was a Minister in a number of different Departments and know staff in many Departments are not exactly overworked. How many staff have been deployed to man the offices? Limerick has a major regional office. What additional complement of staff has been provided as unemployment has risen? Has the level of staff kept pace with demand? The delays would certainly suggest otherwise.

The Minister has put some extra people into the appeals office and perhaps she can clarify whether there are plans to put in more. What plans does she have to redeploy people to local social welfare offices so that people who are ill enough to have to look for invalidity pension or disability allowances, or whose circumstances warrant them receiving carer’s allowance, will not have to wait for an unconscionable period, as they are now?

**Deputy Catherine Murphy:** I support the amendment. The 60 day proposal is reasonable and should allow the vast majority of decisions to be made. A high number of decisions are overturned; I understand it is in the region of 30%. One has to ask if a bad decision was made in the first place which requires cases to go to appeal. Could administrative time be better used? A cohort of decisions could be reviewed to see why they were made. It is part of the origin of the delays.

I have received several replies to parliamentary questions from the Minister when I have tried to find out the average waiting times. The figures do not match the experience of people who come to me. I do not believe I am

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an outlier in terms of knowing a disproportionate number of people who are waiting a longer time for decisions. I use the Lotus Notes software which the Oireachtas has provided and catalogue every query which comes to me. If a lot of people come to me to raise a particular issue it prompts the questions I will ask. I am not speaking from an anecdotal perspective. Rather, I am approaching this issue on the basis of the very real and very serious situations facing very many people.

Another area in which large numbers of appeals are being generated is where people's invalidity payments are being revoked. A constituent of mine, a 65 year old with emphysema who is barely able to walk, has had his invalidity payment withdrawn after being in receipt of it for eight or nine years. One might be forced to conclude that there are more miracles happening in the Department of Social Protection than in Lourdes. We are seeing people being taken off an invalidity payment who have a demonstrated need for it over a period of time. I am not saying there should be no reviews, but the question does arise as to what methodology is being used. Decisions are being made which are eventually, at significant administrative cost, being overturned by the Social Welfare Appeals Office. People are being put through absolute torture for the time it takes to obtain a decision.

Another issue I have encountered is where people's applications for a disability payment are turned down on the basis that they are adjudged unlikely to be ill for a year. After waiting a year for a result, a decision is then made in their favour because they have proved they were in fact ill for a year. I can give the Minister the names of people who have had this experience. What is going on in the Department when one can point to these types of situations? Are we generating appeals needlessly for some reason that is wholly unclear to me?

**Deputy Richard Boyd Barrett:** I support the amendment. The people coming through the door of my office week in and week out seem to confirm the perception which is out there that there is a default position, or even an instruction, whereby if any excuse can be found to refuse a payment, then it will be refused. The perception is that the Government hopes that a significant number of people will simply give up and go away, while those who are willing to persist for the very lengthy period it takes to go through the appeals process, including oral hearings and so on, may eventually be granted a decision in their favour. That has been my experience and it is forcing large numbers of applicants into the appeals process. People are completely flummoxed as to why they were refused particular allowances, often, as Deputy Catherine Murphy observed, to do with disability. We, as local representatives, are just as flummoxed as to the reasons for such refusals. We write letters on their behalf and submit parliamentary questions and, in many cases, their entitlement is eventually acknowledged and granted. This must stop.

The amendment is an attempt to force the hand of the Department to ensure appeals are dealt with quickly. This would also act as a discouragement to any tendency that is developing to refuse people on a default basis, whenever and wherever officials believe they can get away with it. Some of the cases I have encountered are truly awful. This week, for example, a woman came to see me whose respite care grant has been withdrawn. She has a severely disabled daughter who is going to Canada for three weeks to receive treatment. Her payment was withdrawn because the three weeks happen to coincide with the date on which applicants must be performing a caring role, which apparently is a particular day in June. In other words, because this woman's daughter will be in Canada on that date, her respite care grant is being withdrawn even though she cares for her daughter throughout the remainder of the year and will be caring for her for all the years ahead. That is astonishing. This person will now have to appeal the decision and I will make representations to the Minister on her behalf and so on. It makes absolutely no sense and is utterly unfair, unjust and unacceptable. I mentioned on a previous occasion - one of my amendments deals with such cases - a person whose children are paying his mortgage because he cannot manage himself and would otherwise lose his home. That money is being assessed as means by the Department, with the result that the individual's jobseeker's allowance has been reduced. That decision is also being appealed and will take just as long as all the other appeals.

I urge the Minister to accept this very reasonable amendment. The current delays in appeals are unacceptable and the level of refusals is frankly suspicious. Something must be done to prevent this unfairness being inflicted on people.

**Deputy Denis Naughten:** Regarding levels of refusals and appeals, I have found, especially in cases involving a medical report, that in many cases the application form is grossly inadequate and the additional medical evidence that can be provided entirely insufficient to express the true extent of the applicant's disability or ailment, which leads to a high level of refusals. These people then approach us as public representatives and we are obliged to seek the information that will be adequate to present to the medical assessors for review. This process could be speeded up if the Department would introduce, following discussions with the medical profession, some type of process to streamline the delivery of accurate information from GP to the medical assessors. This would, in many

cases, expedite an initial decision and ensure that neither a review nor appeal is required.

There was a useful arrangement in the past whereby departmental staff would inform an applicant or public representative when a decision was approved in principle by the medical assessor's office or, where an application was likely to be refused, staff would indicate that this was because of inadequate medical evidence. Now staff refuse point blank to give out that type of information. Where in the past people were told that there was not adequate medical evidence in respect of a particular application, there was an opportunity to go back, obtain the additional evidence and present it to the medical assessor for decision. A whole paper process would be gone because the file would leave the medical assessor's office, go back to the local office which would write to the person who would then have to go to the general practitioner to get the additional information. That would have to be sent in and the file returned to the medical assessor's office which was delaying the whole process. Some streamlining of these processes could help to address some of the problems at a much earlier stage in the process rather than forcing people into an appeal.

The correspondence sent to members of the public needs to provide far more clarity regarding their position in respect of a review. The correspondence sent out gives the person the opportunity within 21 days to look for a review or to go for an appeal. People panic and submit an appeal to the social welfare appeals office. In many cases if it was clearly stated to them that if there were additional circumstances that were not considered in the original application or additional medical evidence that was not considered they could submit that for a review and decision they would do so. If there is no additional information to be provided then by all means let them go through the appeals process. When new evidence is brought forward it goes into the appeals system and clogs it up when really it should be a review which could expedite the application and reach a decision much earlier. This would deal with the applicant's issue, the financial hardship that sometimes arises from that and take some of the pressure off the appeals office.

**Deputy Joan Burton:** I do not propose to accept either of these amendments. By its nature and because of its quasi-judicial function the processing of appeals does take time and it reflects the fact that by definition the social welfare appeals process cannot be a quick one. The appeals system involves cases where there is a difference between the views taken by the Department and by the person making the claim for a particular allowance. Consequently, appeal cases inevitably involve contention to a greater or lesser degree. I think this has been acknowledged. We can discuss Deputy Naughten's point about the incomplete applications further. There is an appeals process which is often endlessly repetitive as people put in additional evidence and in some cases never put in adequate evidence in the beginning. That inevitably delays the process.

If the appeal is to get the consideration it merits, further investigation of the grounds advanced in the initial appeal must be carried out in many cases, whether this involves a further medical assessment or an investigation by an investigating officer of the Department. I understand the sentiments of the Deputies who put forward the amendment. Putting a statutory time limit on the process of an appeal in these circumstances may well mean that in many cases an appeal would not get the consideration it deserves because in our system, as has been said, we allow multiples of additional information to go into the system at different times. That is in a certain sense a positive feature of the system but in another sense it is an enormous delay factor. Deputies with long experience of the appeals system know exactly what I am talking about.

In the event that statutory deadlines were going to be imposed, as both Deputies envisage in their amendment, it is very likely that the system would become much less flexible in accepting additional documents and evidence from the appellant at various stages of the appeal process in order to ensure that the deadlines being proposed in these amendments are met. That would be to the detriment of the person applying. The Deputies have to be careful about what they wish for in these amendments.

Deputy O'Dea's amendment proposes that where appeals are not processed within the specified deadline a decision upholding the appeal would be deemed to have been made. This would appear to suggest that even where the underlying conditionality is not satisfied an appeal would therefore be allowed. This would lead to a situation where it would be in an appellant's interest to delay the appeal by constantly submitting new information beyond the statutory deadline in order to achieve the result.

It is worth reminding Deputies that up to 2009 the average number of appeals received was 15,000 per annum. This was at a time when resources were much more *flúirseach* and *flaithiúileach* than they are now. In 2012 the social welfare appeals office received 35,484 appeals. That represents an increase of 136%. Deputy O'Dea asked a very pertinent question about the staffing levels in the Limerick office. I do not have the information directly to

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hand now but I will certainly get it for him. First, however, I want to reflect on what the Deputy's party in government did at that stage. It did it for a good reason. Until then when somebody went on medical or illness benefit the illness benefit could last indefinitely. There was no actual limit. In that year, partly as a response to the financial crisis, a new two year limit was put on illness benefit. There is a lot to be said for that but the consequence was that from 2011 a huge volume of the people who had been on illness benefit were coming off the benefit and in many cases sought to go on another payment. It would be appropriate to acknowledge, in looking at the workload of the office, that this has been a major contributory factor.

I am happy to say we have come through the worst of it even though the volume of appeals has gone up by 136% at a time when the Department has lost experienced staff due to retirements. Some of those staff members were retained for a period but also at a time when, as the Deputy knows, I have significantly increased the numbers of officials appointed to the appeals office. They have been trained up and it takes some time for them to be trained. Significant resources and efforts have been put into reducing backlogs and improving appeal process times for appellants. That includes the assignment of 15 additional appeals officers which Deputy Ó Snodaigh has welcomed very strongly and implementing a new operating model within the appeals office. Much of this is down to comments and advice from Deputies. On foot of these measures, processing times for appeals have shown sustained improvement since the end of 2011 when there was an enormous increase because of the change in the period of illness benefit duration. The average waiting time for an oral hearing in 2011 was 52.5 weeks as compared to the current situation in which it is 36.5 weeks. In fairness to the staff who work in the offices and the system, that is a very significant improvement. It is an improvement of four months while processing time for summary decisions has increased slightly, by 2.7 weeks. This arises because the new model for processing appeals has rebalanced processing times as between oral hearings and summary decisions. I think Deputy Naughten recommended this rebalancing. I have had discussions with Deputies before in which I have emphasised that for summary decisions in many cases the quality of the information supplied to support the application needs to be improved. I will bear in mind what Deputy Naughten said about the design of the form. The chief medical officers work closely with the college of GPs and other medical institutions to improve the understanding by medical doctors of what is required for a social welfare application and appeal, where they support it.

Under the previous model for processing appeals, each appeals officer examined his or her caseload to decide which cases would be dealt with on a summary basis and which required an oral hearing. When an appeal required an oral hearing, that appeal then entered a new queue and would most likely have been assigned to a different appeals officer. That officer would then have to familiarise himself or herself with the case, leading to inefficiencies in service. There is no reason why a case which may be decided summarily should be progressed more speedily at the expense of a case which requires an oral hearing. Accordingly, under the new model introduced from 2011, where an appeals officer decides that an appeal requires an oral hearing, the officer then deals with that case.

This system has led to a much more efficient and effective service. The objective is that there would be no more than six to nine weeks between the times taken to process a case decided summarily and a case which requires an oral hearing. With the IT improvements which I spoke about earlier, I believe this is achievable.

We have reduced the backlog which we inherited. All the indications are that the improvements in processing times will be sustained right throughout 2013. One of the issues identified by the chief appeals officer is the length of time taken by the Department to respond to requests from the social welfare appeals office for submissions by the deciding officer dealing with a case. This is particularly the case for those schemes where the qualifying criteria are medically based. There has been a major process of redesigning and modernising the system. The most significant backlogs will be almost fully clear by the end of this month. The social welfare appeals office expects to finalise 6,000 more cases in 2013 than in 2012. The number of cases finalised so far this year indicates the office is well on track to achieve this target.

Deputy O'Dea requested additional staff be made available. We are rolling out the new Intreo offices. Having been in the Limerick office on several occasions, I am conscious of the fact a high proportion of the population in Limerick is dependent on one or other form of social welfare and this is a priority. We are also dependent on the Office of Public Works for office improvements.

One notable development in the appeals system is the amount of information that can be made available to Members. I have gone out of my way with the staff of the Department to provide information sessions to Members, particularly for new Deputies and their staff, on the system. It is a complex system. Entitlements are based on law, which is one of the strengths of the Department as it protects against arbitrary decision-making. Deciding officers have certain powers under the law. The suggestion that the Department's officers are being encouraged to

act unfairly or not to act within the law is not correct and unfair to many of the Department's staff who go out of their way to assist people.

There were 51,000 invalidity pensions in payment at the end of April. The expenditure on these pensions in 2012 was €603 million. Since the illness benefit was reduced to two years, there has been a high demand for people to go on to another payment. Each week 220 new invalidity claims are received and are decided on within a few days of receipt of the relevant documentation. Almost 60% of the current claims are awaiting a decision for two months or less. The new IT and business processes that have been installed are processing claims which have increased, along with dealing with inheritance backlogs. The backlog of 7,300 claims which had built up was effectively cleared by the end of 2012. The target now is to process all new claims promptly upon receipt.

I must point out that the information supplied by the applicant in such claims needs to be as complete as possible. My Department spends €47 million a year on Citizens Information centres and MABS, the Money Advice and Budgeting Service, precisely to help people to obtain information on their entitlements. In addition, since I became Minister, I have established an advocacy service to assist people with disabilities, for example, including intellectual disabilities, to receive their full social welfare entitlements. This has all taken place against a background of limited resources.

The Department has also taken over managing the domiciliary care allowance from the Department of Health and revamped it, giving significant additional time and information to parents involved in it. We have also taken over a range of schemes from the Health Service Executive, all of which required vast amounts of time. We have also increased the numbers in receipt of these allowances which has resulted in a huge increase in the amounts expended on all of the schemes.

**Deputy Aengus Ó Snodaigh:** The intention of my amendment is not to tie up the Department, other than that there would be a response to the appellant within 21 days. I understand the Minister's point about the final decision. One of the beauties of the system is that up to the date of an appeal, an applicant can submit additional documentation, and even during an appeal it might be noted that an applicant has additional information that was not supplied which can also be taken into account. Obviously there are and will be delays in the process. Applicants who submit appeals find it frustrating not to have any information regarding the status of their appeal. They submit their appeals and hope the Department will transfer their files to the social welfare appeals office as quickly as possible. They live in hope that their appeals will be dealt with, either summarily or by getting a date for an oral hearing, but sometimes they have to wait for months for a decision without receiving any indication regarding the progress of their appeals.

With all the advances in technology, a mechanism might be developed whereby an applicant could be given an appeal number that would enable them to check online what is happening regarding the progress of their appeal in that section or in other sections. That might satisfy the applicants to a degree and it might also put the skids under them to get their act together to submit additional documentation. On a number of occasions people have contacted me regarding their appeal, having submitted it a number of months previously, but they had not gone to the trouble of submitting the additional information. It would be useful if a system could be put in place under which they would be allocated a number that would enable them to track the progress of their appeal and note that a decision on it would be made in, say, another week, six weeks or eight weeks. That would also be helpful for the appeals office. I am not an expert on developing that type of system but it is possible for applicants to track the progress of their applications for other services. That might be useful and it may or may not have been tried.

The purpose of my amendment is not to tie down the appeals office to deliver the final result within a set time but to ensure an applicant is given some type of response. I am willing to withdraw the amendment if a promise is made that a commitment will be given - a commitment was made that the waiting times would be reduced, all things being equal - that applicants will be communicated with more quickly.

**Deputy Willie O'Dea:** The Minister said that the appeals system is a quasi-judicial process, and I am aware of that. She said that the process takes time, and I am very much aware of that. In my amendment I am providing for a period of time in this respect, namely, up to three months - 12 weeks or 60 working days. The Minister pointed to the new resources that have been put in place and the changes that have been made. From the anecdotal evidence available to me, I believe the situation is beginning to slip back again. Longer delays are beginning to creep back in. We seem to reach a certain point and then regress.

The Minister made the point that if an amendment along these lines was included, people would find a loop-

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hole by deciding that they would keep sending in information or that they would not send it in and therefore a decision would have to be made in their favour within 60 days. That is ridiculous. That is the reason I included the other paragraphs in my amendment, which provide that if there is a compelling reason an appeals officer cannot make a decision within 60 days, the officer should obtain permission to extend the period and submit the reason for doing so in writing. If the wording in my amendment is not sufficient to meet that requirement, I am sure it is not beyond the wit of the Department of Social Protection to make the necessary adjustment to ensure there is not a loophole in the section.

I am mindful of one case in particular, among many others, of a family in Limerick who are dear friends of mine. The mother became very ill and the daughter gave up her job and applied for a carer's allowance. Try as I might, and there was no shortage of evidence, which was submitted on time and was very compelling, I could not persuade the Department that the mother was sufficiently ill to warrant her daughter being granted a carer's allowance. This process continued for more than a year. We appealed the decision and the appeals process continued for approximately a year. The entire process took two years and two months. Ultimately last February, the appeal was finally decided in the applicant's favour and within a fortnight the unfortunate person who was being cared for died. The process involved in that case is unacceptable.

The Minister gave a long, detailed and comprehensive reply, but what it came down to was her justifying a situation whereby in the normal course of events the appeals office can be justified in dragging out an appeal for more than three months. I do not find that acceptable.

**Deputy Joan Burton:** The Deputy indicated a case, which, from the timing he gave, started during the time of the previous Government.

**Deputy Willie O'Dea:** That is beside the point.

**Deputy Joan Burton:** I ask the Deputy to bear with me. We have had the greatest possible expansion in requests for payments of carer's allowance, family income supplement, domiciliary care allowance and particularly disability benefits. In 2009, the Deputy's party, when in government, reduced the illness benefit period to two years and there were good reasons for doing that. However, I ask him to think about this: there are 100,000 or more people on disability benefit at any one time. If, in effect, all of those are limited to two years, it means there is the potential of up to 50,000 people coming off illness benefit, in many of which cases it would be hoped people would have returned to work. Indeed, there has been a fundamental change in the numbers of people moving from a payment that was in place indefinitely to making a case to apply for another payment. That is one of the reasons for the huge increase in the volumes.

In regard to the carer's allowance and the domiciliary care allowance, the Deputy would have been very conscious when the delays involved were extremely difficult, but huge volumes of backlogs in those applications have now been dealt with and they are largely up to date. There is a separate issue, namely, whether everybody who applies will get the payment they are seeking. That depends on the quality of the case and, if it is a medical assessment, the quality of the medical information the applicant puts forward. We should bear in mind that there has been a loss of a quite number of medical assessor staff due to retirements. The Department has been addressing this issue. Three medical assessors were appointed in March of this year, a further medical assessor is scheduled to be appointed in June and another two medical assessors are scheduled to be appointed in September. The current panel will then be exhausted. The Department has approval from the Department of Public Expenditure and Reform to proceed with another medical assessor competition and we will ask the Public Appointments Service to run that competition. We are taking on significant numbers of very highly qualified staff. The chief medical officer is engaged in detailed discussions with the medical profession about how to assist the people who are in urgent need of the payment. There are also people applying who may not qualify for some of the payments they are seeking. Obviously in that case people may seek to enhance and expand the information they supply. Those types of cases take time but the time taken to process them has fallen dramatically.

**Acting Chairman (Deputy Joanna Tuffy):** How stands the amendment?

**Deputy Aengus Ó Snodaigh:** I will withdraw it.

Amendment, by leave, withdrawn.

**Acting Chairman (Deputy Joanna Tuffy):** We will move on to-----

**Deputy Willie O’Dea:** I also have an amendment to the section but I note it will be reached later.

**Acting Chairman (Deputy Joanna Tuffy):** It will be taken in due course. Amendment No. 4 is out of order as it involves a potential charge on the Exchequer.

Amendment No. 4 not moved.

Question proposed: “That section 6 stand part of the Bill.”

*10 o’clock*

**Deputy Willie O’Dea:** The general principle on which the Government seems to be operating in regard to pensions and the recommendations, as I understand them, of the OECD in its recent pensions report suggest that we will have to secure the pension base in this country and that the only way this can be done is by people contributing more, although certainly getting more benefits. However, this is a situation where people are expected to contribute more but, by definition, will get absolutely nothing for their extra contribution. Does that not fly in the face of the direction in which we are supposed to be going? How much more can people contribute?

People who were not subject to PRSI on this element of their income are now expected to pay henceforth at 4% with nothing in return. I am not suggesting they get an A type contribution in return. What I am simply suggesting is that it is counted as an S type contribution which, as the Minister knows, is much less valuable than an A type contribution because it entitles people to fewer benefits but it could make the difference. For example, in the case of a contributory pension, it could make the difference as to what band a person comes into in regard averaging how many contributions in total he or she has paid. It is very regrettable that we are introducing extra pay-related social insurance into categories which did not bear it previously but giving absolutely nothing in return.

**Deputy Denis Naughten:** Deputy O’Dea made a valid argument, which I support. For the vast majority of people, who will now be liable under this payment, the S class payment will be of no use to them anyway. One is talking about a very small cohort of people for whom the S stamp will be of value in the future. Many may end up being entitled to a non-contributory pension if there is such a thing in the future or some other form of top-up payment to bring them up to that minimum threshold.

Currently, a large cohort of people would fall under that category but over time, because of the introduction of the S stamp in 1988 or 1989, fewer people will fall into it. For one reason or another, people have fallen out of the system. Traditionally, it would have been women but thankfully a previous Government comprising Fine Gael, the Labour Party and Democratic Left dealt with that issue. It will, however, be a problem for a very small cohort of people in the future. Surely, the cost involved to the Exchequer would be minimal. At least people would feel they were getting something in return for making the extra PRSI contributions.

Another issue I wish to raise concerns trying to bring additional moneys into the fund. I have a suggestion for the Minister in this regard. There is a cohort of people who would like to put money into the fund but for whom there is no mechanism to do so. It would benefit the economy in the long term. We all accept that every entrepreneur is a potential employer. We are trying to encourage entrepreneurs and if we are to get this economy back on track, it will only happen through the indigenous economy with our own people creating jobs for themselves in the first instance and then creating additional jobs in the future. The projections are that the number of jobs from foreign direct investment will fall off, so we need to support and encourage our own entrepreneurs.

The reality is that risk does not always end in reward. Many people who are out of work were very good employers during the boom and paid tax and PRSI for their employees who were able to draw on it when the employers went to the wall but because the employers were self-employed, they could not draw on all the taxes and PRSI they paid. Many of them ended up in serious financial difficulties as a result of not being able to draw any entitlements or benefits and ended up worse off than the employees they had employed.

The UK has dealt with this issue over the past number of years by allowing self-employed people in certain circumstances to make PRSI contributions which would allow them access to social insurance benefits if they become unemployed. Serious consideration should be given to this, especially given the circumstances which we are in and given that the number of people who fall into that category is quite small. Additional conditions could be included but if someone is prepared to set up his or her own business, he or she should be allowed to make a voluntary PRSI contribution and if that business goes to the wall, he or she should be able to access some benefit as a result of the PRSI contribution he or she has made. It provides that person with a safety net if he or she becomes



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sick or if the business goes to the wall. If we are serious about trying to encourage entrepreneurs to set up businesses in this country and trying to support that entrepreneurial spirit, we need to provide some sort of basic social security safety net for them. If the UK has done it, I cannot see why a similar system could not be introduced here to encourage people to make a voluntary contribution on which they could rely in the medium term if they fall on hard times. It would be a clear message to the self-employed that we want them to get back into the system, start paying tax and PRSI and start employing people and that we will provide them with that safety net in the medium term should something happen. People getting some sort of social welfare payment are afraid they will lose it and end up back at square one. We do not want to see that happening.

Sadly, many of our best entrepreneurs are leaving this country because they do not believe they have the opportunity here to create the new businesses which will be the big employers of the future and they are making their future somewhere else rather than in this country. This would set down a clear marker and would help to provide a safety net.

I refer to the issue of civil partnerships. Provision is being made in this legislation to tidy up some of that area. Currently, a spouse can have his or her PRSI contributions recalculated to divide the contributions between the couple where both are involved in the business. Will that continue on foot of the amendment to section 5? Will that provision now apply to civil partnerships? Will it apply retrospectively to civil partnerships? If two people have been cohabiting for a number of years, can they get their PRSI retrospectively recalculated now? That would make a big difference to their eligibility for a pension at a future stage.

**Deputy Aengus Ó Snodaigh:** I want to contribute to this part of the debate by supporting what Deputy Naughten has said. When we previously discussed the PRSI contributions of the self-employed, we mentioned that if they were to be the equivalent of the contributions of other employees, they would have to be 14% or 15%. Has any further progress been made in setting up a kind of scheme that would have the effect suggested by Deputy Naughten? I will leave it at that because we have teased this out at the joint committee and elsewhere.

I suggest that steps need to be taken with regard to employers. Some of them made contributions in the past when they were employees. When they changed their status, they were unable to continue making contributions at the same level. As a result, they lost their ability to be able to claim some type of protection. Some of them have ended up claiming supplementary welfare allowance. In some ways, it is a contradiction in terms that they are entitled to that. Others cannot make such a claim because the assets of their businesses need to have been ended in total and wrapped up neatly in order for them to be able to avail of any type of payment. Basically, the employer has to be destitute in these circumstances.

I would like to refer briefly to amendment No. 1 in my name. I am not asking the Minister to respond on this. The proposal was ruled out for some bizarre reason, because it is a cost on the people, not the Exchequer. This bizarre rule means that Opposition Deputies cannot make positive proposals to the Department. If amendments have a cost to the Exchequer, in most cases they are ruled out. This proposal involves trying to recover for the Department the moneys it has paid out in respect of somebody who has taken an unfair dismissals case. It is estimated that approximately €3 million could be recovered in this way if the recovery of such payments were allowed. I refer to payments made by the Department to people after they were dismissed, but before the Employment Appeals Tribunal found they were unfairly dismissed. I am not complaining about the making of such payments. I am not saying the person should have to pay those moneys back. I am saying the employer should be required to return the money in question to the Department. A mechanism that would achieve that should be considered. It is not a huge amount of money, but it would be better for it to be in the Department's coffers than in the hands of an employer who unfairly dismissed an employee.

**Deputy Joan Burton:** The purpose of the measure provided for in this section of the Bill is to apply PRSI to the income of modified rate employees that is earned as self-employed income, but without providing for additional entitlements to social welfare benefits. This restriction on entitlement is necessary to ensure no additional costs accrue to the Social Insurance Fund. I understand why people are concerned. Modified rate contributors are already covered for occupational pensions by virtue of their public sector employment. These are not people without cover. They are public service employees. They already have entitlements to public service pensions. Therefore, there is no need to provide for additional cover for them. In addition, modified rate contributors are already covered for most of the other social insurance benefits that accrue from class S contributions, such as contributory pensions, or widow's, widower's and surviving civil partner's pensions. Similarly, modified rate contributors do not require separate cover for maternity and adoption benefits which are covered by class S contributions. As they are public servants, they are entitled to full pay for such periods. Restricting the social insurance entitlements of

those who already have access to Exchequer-funded pension entitlements, as proposed in the Bill, is necessary to protect the long-term viability of the fund.

I will give an example. There are a number of extraordinarily well-paid professionals in the public service. Consultants, for instance, are paid significant amounts of money through the HSE on their public contracts. We know from the VHI that they may also earn very significant amounts from their private practices. My party colleague from Waterford, Deputy Conway, has been quoting recent figures from the VHI to the effect that 301 hospital consultants receive annual payments of more than €200,000 from the VHI, in addition to what they may earn in the public sector. An anomaly relating to ceilings, which probably dates back to when the PRSI structure was set up, means such people are charged PRSI on their public service employment only. This measure will extend the PRSI base to ensure it covers all the income of these people from their trades, professions or other employment. It is anticipated that this will yield up to €12 million a year. As these people are covered by public service entitlements, and because they are such high-paid people, they generally have significant pension entitlements. In addition, many of them invest in further pension funds through pension arrangements that benefit from tax breaks. Admittedly, many of those funds might not have done very well in the crash. This measure will expand the forms of income that are covered by the PRSI system. I would expect Deputies to welcome it from that point of view.

I would like to respond to Deputy Naughten's query about civil partnerships. My understanding is that the Deputy is correct in what he said. I will get one of my officials to give him a copy of my more detailed briefing note on the matter.

The proposal made by Deputy Ó Snodaigh in amendment No. 1, which relates to unfair dismissals, is worth examining. The Department of Jobs, Enterprise and Innovation is responsible for the legislation that governs unfair dismissals. The Deputy will appreciate that the Department of Social Protection has assumed responsibility for making redundancy and insolvency payments. In fairness to the staff of the Department, they have cleared a massive backlog that they inherited. Responsibility for the legislation continues to rest with my colleague, the Minister for Jobs, Enterprise and Innovation. The Deputy might want to raise this matter with the Minister. He has made a fair point about the recovery of costs to the State.

Can I respond to the comments that were made about people who are self-employed? That matter is being examined by the advisory group on tax and social welfare. I anticipate that the group will produce its report on self-employed people and the PRSI system before the budget. I believe that is the undertaking. I think the group is on course to do that. The actuarial review that was published last year pointed out that the self-employed make a current contribution of 4% and get a significant benefit from the PRSI system. They get access to contributory pensions and to widow's, widower's or survivor's pensions. We should certainly be looking to them coming in to the full social insurance system and, in the long term, as the country recovers, the concept of jobseeker's payments must be considered. However, in a lot of cases it is difficult to ask people to pay more contributions. The actuarial study suggested they would need to pay at least 14.5%, but in fact a little more, to cover the cost of the benefits. It might be that this can be addressed through the period for which they would get benefit being somewhat more restrictive, given they are self-employed people when it might be suggested they would be back working in a shorter timeframe.

I am very sympathetic to this, as I said in response to the Deputy and other Deputies. It is important that we look at the concept of jobseeker's payments. Years ago, there was a social welfare concept that people who paid in got proportionately more in the period immediately after unemployment - in other words, that it operates as an income protection. As a country, we do not have the resources to do that now but I personally consider it is one of the ways in which the social welfare system should move, as resources permit down the road. We are now in a system where somebody who has paid contributions gets, at best, roughly the same level of payment as somebody who has no contribution record at all. The difference between the two was eroded during the period of the Celtic tiger. The income protection concept, up to a maximum similar to that which exists in a number of other European countries, is something to which we should give full consideration as resources permit and the economy recovers.

With regard to self-employed people, this is an issue we will be looking at in the context of the budget. However, I am conscious of the fact many of the organisations representing self-employed people have expressed some reluctance about additional contributions being made at a time when people are still finding the going quite tough. We will await the report of the advisory group but we will also have to look at the resource issue.

Question put and agreed to.

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SECTION 7

**Acting Chairman (Deputy Joanna Tuffy):** Amendment No. 5 in the name of Deputy Ó Snodaigh is out of order as it involves a potential charge on the Exchequer.

Amendment No. 5 not moved.

Section 7 agreed to.

SECTION 8

Question proposed: "That section 8 stand part of the Bill."

**Deputy Willie O'Dea:** When does the Minister hope to commence this section?

**Deputy Joan Burton:** Within a month or two. As the Deputy knows, we started the scheme last year so it is building up, with some 2,000 people now on it. We have been looking closely at how it has operated in practice.

Question put and agreed to.

SECTION 9

**Deputy Willie O'Dea:** I move amendment No. 6:

In page 14, between lines 21 and 22, to insert the following:

"9. Section 311 of the Principal Act is amended by inserting the following subsection after subsection (3):

"(4) (a) An appeals officer shall decide an appeal within a prescribed time of 60 working days from the date of receipt of the appeal.

(b) Where notice of a decision under section 311 is not given to the appellant who made the appeal concerned before the expiration of the period specified in section 311(4)(a), a decision upholding the appeal shall be deemed to have been made upon such expiration.

(c) An appeals officer may apply to the Chief Appeals Officer for an extension of time to consider the appeal in exceptional circumstances but the appeals officer must demonstrate the reasons for the delay and the appellant shall be informed of the reasons for the delay in writing."

Amendment put and declared lost.

**Acting Chairman (Deputy Joanna Tuffy):** Amendment No. 7 in the name of Deputy Ó Snodaigh is out of order as it involves a potential charge on the Exchequer.

Amendment No. 7 not moved.

**Deputy Aengus Ó Snodaigh:** I move amendment No. 8:

In page 15, between lines 4 and 5, to insert the following:

"(4) Retained firefighters who have previously applied for a jobseeker's payment before the enactment of this Bill and have not had their claim approved shall be assessed on their current application."

As one of a number of Deputies who campaigned to try to change the way the Department had been applying the letter of the law in regard to jobseeker's allowance for retained fire fighters, I welcome the measure proposed in this section, as I did when the Minister announced it in the first instance. It was logical and a recognition of the very valuable service retained fire fighters play throughout the country. The recent interpretation was causing grief to a number of people so I welcome this change.

Amendment No. 8 in my name was bizarrely not ruled out of order for being a charge on the Exchequer. Somebody must have missed it because it probably would cost the Exchequer something. Standing Orders are bizarre. Perhaps it was an incidental charge. I am sometimes allowed to put forward such amendments whereas

in other cases I am not.

The amendment seeks to ensure that those retained fire fighters who already had an application or an appeal made prior to the passage of this Bill would have recognition of that period of time for the purposes of arrears, rather than the effective date being the enactment of the Bill after the Seanad has dealt with it. That would mean each of these fire fighters would have to make a new application and their payment would only be from that date.

The amendment is a recognition that a number of individuals from various parts of the country who have been in contact with me are at various different stages of application, review or appeal. The number of individuals is not huge. If the issue could be dealt with practically, it would not have required this amendment but the information I received is that the Department was still adamant that they were not entitled to it in the past and they will only be entitled to it if and when this legislation is passed. I am asking for a common sense approach to these applications. As I said before, the change the Minister brought in was common sense. It dealt with the legacy issue from the 1970s and there will now be a proper procedure for the future. I am calling for some recognition of the transition period during the past year. While I am not suggesting we would go back to the 1970s, I ask that people with live applications at various stages get that recognition.

**Deputy Michael McNamara:** While it is almost 10.30 p.m., many fire fighters have waited a very long time for this and I believe we in this House can wait a couple of minutes longer. Many measures which are long overdue are included in this Bill and there are also many reforming measures, but this is a particularly important measure given the fact the great majority of fire services across rural Ireland are provided by retained fire fighters. Up to now, they have effectively been discriminated against because of their willingness to work for and serve their communities and, in many instances, they put their lives on the line for their communities. I am very glad that when this Bill is finally enacted, this will no longer be the case and they will be able to receive unemployment payments for days on which they are not called out and are not in receipt of a call-out fee. This is the very least they can expect for the very valuable service they provide to the State and our communities. On that basis, I greatly welcome the inclusion of section 9 by the Minister.

**Deputy Joan Burton:** I thank the Deputies who have welcomed the sorting out of this difficulty finally for a group of people who are very important in Irish society. About 2,000 people are employed as retained firefighters. It is estimated that approximately 800 part-time firefighters are also in receipt of a jobseeker's payment. I am very grateful to a number of Deputies who approached me about specific cases shortly after I became Minister, including Deputies Michael McNamara and Aengus Ó Snodaigh. It took some time to find an approach that would work in the particular circumstances of the workers involved who carry out a vital public service for local communities. It is important to know that while we associate retained firefighters with rural areas, there are many part-time firemen on the fringes of urban areas. Retained firefighters are entitled to a jobseeker's payment for days on which they are engaged in firefighting or training. They are, however, required to satisfy the statutory conditions for the receipt of a jobseeker's payment of being available for and genuinely seeking work. Any person who fails to satisfy these conditions is not entitled to a jobseeker's payment.

Taking account of the unusual circumstances of retained fire personnel, a departmental working group was established to examine their position *vis-à-vis* jobseeker's benefit and jobseeker's allowance. The current practice of dealing with retained firefighters has its roots in an administrative decision apparently made in 1972 to disregard any day of firefighting or training when determining their entitlement to jobseeker's benefit or jobseeker's allowance. It is important to note that on foot of the work of the working group, I have advanced the position within the two jobseeker's schemes to cater for retained firefighters on a legislative basis. The Bill and associated regulations will advance the necessary legislative amendments to the jobseeker's scheme, thereby putting the current administrative treatment of retained firefighters on a statutory basis. The legislation will allow retained firefighters a reasonable and fair level of access to the schemes in the future. The revised arrangements will take effect from the commencement of the legislation and will not apply to previous disallowances made in respect of retained fire personnel. Generally, such disallowances were made having regard to the legislative provisions applying at the time of the decisions made. The legislative package will exempt retained firefighters from having to satisfy the substantial loss of employment, or sub-loss, rule under the jobseeker's benefit scheme. In addition, retained firefighters will be exempt from suffering the loss of a day's jobseeker's payment for every day of firefighting. This will mean that any day of employment as a firefighter will not reduce the individual's weekly jobseeker's entitlement other than by application of means under the jobseeker's allowance scheme. If people work five days as a firefighter, they may also have an entitlement to receive five days jobseeker's benefit. However, if they have other employment aside from firefighting, their jobseeker's entitlement will reduce by the number of days worked in their non-firefighting job.

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The legislation also provides that when a retained firefighter is on call, for the purposes of jobseeker's benefit and jobseeker's allowance, this will not result in a disallowance on the grounds of non-availability. This was a major issue in different parts of the country. These legislative amendments, if commenced, will only apply to retained firefighters and will not apply to full-time firefighters. I am not in a position to accept the Deputy's proposed amendment.

**Deputy Aengus Ó Snodaigh:** I regret that the amendment cannot be accepted. I hope common sense will prevail on the part of those deciding officers looking at this issue, given the intention to make a change and take heed of the special contribution retained firefighters make. This indication had been given previously by the Minister and I ask that it be heeded, particularly in cases where there is no other income and where people have exhausted all of their personal funding to survive and stay within the fire service. They have survived on their meagre resources or funding they have received for firefighting when they have been called out or on call. They have made their own appeals to the social welfare appeals office. I appeal for the adoption of a common-sense approach to the matter.

Amendment, by leave, withdrawn.

Section 9 agreed to.

#### SECTION 10

**An Leas-Cheann Comhairle:** Amendments Nos. 9 and 11 have been ruled out of order.

Amendment Nos. 9 to 11, inclusive, not moved.

Question proposed: "That section 10 stand part of the Bill."

**Deputy Aengus Ó Snodaigh:** This section introduces a new provision. While I understand what the Minister is attempting to do, it does not address the change to the one parent family payment which was introduced in previous legislation. It is trying to undo something that should not have been done in the first place. When the Minister made her most recent changes to the one parent family payment, she said child care of the standard found in Scandinavian countries would be available. This is recognition that this will not be available for the foreseeable future and that we are stuck with this provision. This was cobbled together to try to take heed of that position, rather than repealing the changes she made which were regressive.

The transition payment will be only applicable to those who are in the system. It is not open to those who applied for the payment after the changes were made in the last budget and the previous legislation. That is regressive. If this provision is to stand, it should apply to all one parent family payments. When we were debating the changes affecting one parent families in the past few budgets, I remember a previous transition payment for those moving into employment. It allowed them to retain some of their benefits. That payment is not being reinstated because, obviously, jobs are not available, which is reflected in the fact that the unemployment level is high among those in receipt of the one parent family payment, even after the changes made. While I welcome the fact that the Minister is making some steps in the right direction, the easiest way would have been to repeal the changes she made of reducing the payment entitlement for a child from 12 years of age as it was at that stage to seven years of age. What should have been done was to have reinstated it to 14 years of age as it was originally. The work should have been done to ensure the roll-out of the proper child care facilities and services throughout the country, such as after-school clubs and the additional supports to ensure children up to the age of 14 years could be protected. At the moment as the law stands, a child could be home alone from the age of seven years while a parent is working. In the past it was 12 years. At least at 14 years of age there is some maturity, but as a rule, even children at that age should not be left unaccompanied by an adult for long periods of time.

Other Deputies have expressed an interest in speaking on this section. Some of the various groups which have lobbied on the one-parent family payments have managed to obtain a cursory response, but none has made any detailed submission because, like us, they have not had sufficient opportunity. As I said on the Order of Business, it is ridiculous that this Bill was produced in such a hurry. There are a significant number of amendments with 24 pages of amendments from the Minister. We are dealing with Committee and Report Stages tonight. There is not sufficient time to tease out the details of the provisions in the proper fashion. I still do not understand the reason for the urgency to produce this legislation other than that somebody will benefit if it is passed this week as it will come into effect quicker. I do not think a delay of one or two weeks would have made a significant difference and it would have allowed us to tease out the positive aspects and, from our end, to have encouraged the Minister to be

more positive in some parts of the Bill.

It is important to get it right. The original Bill was passed only a number of months ago and it contained some of these changes, but the Minister is unpicking it, despite the warnings from this side of the House that it is wrong. At least the Minister has listened and moved a little way. She should have listened in the first place and there should have been a proper debate on social welfare legislation on any of the pieces of social welfare legislation. This Government and the previous Government have been guilty of rushing Bills through the House. Sometimes there is a need to put legislation in place once the budget has been passed, but the second social welfare Bill each year is usually more considered over a longer debate. I presumed this would have been the case with this legislation.

**Deputy Willie O’Dea:** I welcome the change which represents a substantial improvement on what went before, although I am bound to say I am a little confused at the idea that someone with a child up to the age of 14 years who has to transfer from lone parent’s allowance to jobseeker’s allowance because his or her child has passed the 12 years of age threshold will not be compelled to prove that he or she is looking for work. On the other hand, such persons will be compelled to engage in the activation process which is supposed to be something that prepares them for work. Perhaps what the Minister has in mind is the future when they are finally in a position to look for work or when they are in a position that they have constantly to be seeking work.

The difficulty is that a substantial proportion of the population of this country is at risk of poverty and is living below the internationally accepted poverty line. The Minister will agree that lone parents feature largely in that proportion. The risk of poverty is exceptionally prevalent among lone parents. It has been recognised that the best way to get oneself out of poverty is to get a job of some sort. That is the reason that, traditionally, people in receipt of lone parent’s allowance have been entitled to hold on to their allowance while working and to earn up to a certain amount. A limit applies, and at that stage it begins to come down. The Government has reduced that limit, not once but twice. In other words, if people go out to work, they must earn less if they wish to hold on to their full lone parent’s allowance. That is a disincentive. The net result of these changes will mean that as the youngest child reaches the requisite age, people will be taken out of the category of lone parent, in which they are permitted to work and earn while keeping the lone parent’s allowance, and put on jobseeker’s allowance which contains a disincentive to work because once a person is working, the allowance is deducted euro for euro. There is also the question of availability for work. One would probably lose the jobseeker’s allowance once one goes out to work. That is regressive.

I presume my amendment No. 12 is out of order but it is an attempt to delay this process by saying that the Minister has discretion as to when to introduce the measure. It might not be the most elegant way to do it but that is what my amendment tries to achieve.

As for the people who will be directly affected by this section, I have a letter which a constituent of mine received from the Minister’s Department. This case demonstrates very clearly that people who have gone out to work, many of whom are lone parents doing part-time work, will be badly affected. My constituent is working two days a week. Her net income is €173. She receives €190 lone parent’s allowance and €40 family income supplement, FIS, payment because she is in low-paid employment. The letter from the Department is dated 30 May 2013. It informed her that because her eldest child has now reached the age of 12 years, her lone parent’s allowance will be due to cease from 27 June 2013. As a result of her losing her lone parent’s allowance, she will get an increase in her FIS payment. She was given a phone number for information on the amount of FIS payment she would receive to compensate her for her loss of lone parent’s allowance. As an experiment I tried the number myself. I tried several times and I might as well have been ringing another galaxy. I challenge anyone from the Department to start ringing this number - 043 3340053 - in the morning to see how long it takes to get through. Eventually, I pursued my own inquiries in the Department of Social Protection. The answer is obvious that she will get 60%. The increase in FIS payment will be 60% of what she is losing. She is losing €190 and she will get €114. That is a drop of €76 per week. This lady is in rented accommodation. As she is working part-time, she is unable to get rent allowance. Her rent is of the order of €650 per month, which means her entire wage is going on it. Instead of living on €190 per week, she is now expected to live on €114 per week. That is the net result of the provision and it is replicated for any lone parent who is working in a part-time job and who will, almost inevitably, be in receipt of family income supplement on the basis that the combined lone-parent payment and income from a part-time job is under the threshold. It is a very substantial loss. This is a person who took it upon herself to go out and get whatever work she could. It is only a part-time job for two days a week, which is what she could get, but she is doing her very best to lift herself out of poverty. Yet this is the net result of the Government’s legislation. While I do not know what the cost implications are, the Minister should reflect on the impact on such people. I can give her

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a copy of the letter and bring the exact case to her attention if she so desires. While I do not think it would change anything, I will send it on as I would like her to look at it to see the effect the policy is having on real people. A woman who was living on €190 per week is now expected to live on €114 while looking after a school-going child.

The Minister should reflect on what she is doing when introducing these changes. I do not care where they originated or what Government proposed them initially, but they will now cause great hardship to very vulnerable people and they should be delayed. I do not say there will not come a time when it is desirable to change the law along the lines the Minister proposes, but now is not that time.

**Deputy Richard Boyd Barrett:** Section 10 represents an effort on the part of the Minister to undo the damage that was done in the last budget. It is prompted by the protests of lone parents and organisations representing them, including SPARK and One Family, and points made on their behalf from the Opposition setting out how retrograde was the move to phase in the elimination of the one-parent family payment when children reach the age of seven. Prompted by those protests and expressions of concern, the Minister said she would not go ahead with the provisions unless we had a Scandinavian model of child care. That was a correct acknowledgement of the concerns that had been raised with her about the impact of this budget measure on lone parents, a group which, as the Minister is well aware, suffers disproportionately from deprivation and poverty. Self-evidently, as many of us thought would be the case, we do not have a Scandinavian model of child care less than one year on and are very unlikely to have one any time soon.

While section 10 is an attempt to undo the damage and fill the gap, it does not fully address the problem. Given the fact that we do not have a Scandinavian model of child care, it raises the question of why we do not simply reverse completely the move that was made in the last budget. That is what we should do. One of the reasons is that in the transition payment the Minister proposes, she defeats the very purpose of encouraging and incentivising people to work, which she would generally promote. As the Department's officials acknowledged in a briefing to Opposition Members and representatives of lone-parent organisations, lone parents who are working and earning €200 per week will lose €39 per week. That represents for them a direct disincentive to work. It simply cannot be justified, particularly when lone parents suffer disproportionately from disadvantage and poverty. How can the Minister justify it? It is utterly unfair.

Parenting is work. It is not sitting around doing nothing. Being a lone parent is double work. A lone parent does not have the supports one might get from a partner. There are all those extra difficulties. If people see a financial loss as significant as the one that will result from the Bill when they are working, it will be a direct disincentive to work as well as imposing significant hardship. It cannot be justified. While my amendment has been ruled out of order as it proposes a charge on the Exchequer, the Minister could amend the section to provide that people who are working do not suffer financially when making the transition to the new payment. They should not see a reduction in their incomes. If they do, it is a disincentive to work. That is self-evident. It is not the case for people who are not working as they will get the full payment, which is the result, as I understand it, of the difference in the income disregard for one-parent family payment and that for jobseeker's allowance. It is wrong and the Minister cannot justify it. She must address the problem.

SPARK raised a further issue in this context. There seems to have been no consideration of how maintenance payments will be treated in assessments of means. SPARK has urged the Minister to consider this issue, which may have a hugely negative effect on lone parents' incomes. SPARK says this issue illustrates how little impact-assessment research has been carried out as to how the changes the Minister is making might affect lone-parent families.

**Deputy Joan Burton:** I am not sure the amendments proposed by Deputies Ó Snodaigh and O'Dea would achieve what they may have in mind. As worded, the amendments would delete or defer the transitional arrangements I have introduced to mitigate the effects of the recent changes and to make the system more positive. That would be an adverse result for recipients.

**Deputy Aengus Ó Snodaigh:** That is why I withdrew my amendment.

**Deputy Joan Burton:** I accept that. I do not know if Deputy O'Dea has had an opportunity to consider it.

On the general argument, while I accept that the Deputies who have spoken have the interests of lone parents at heart, we must ask ourselves a couple of honest questions as a society. We have had a system in which the social welfare approach to lone parents has been very passive. Someone who went onto lone-parents allowance could be left entirely alone.

*11 o'clock*

With regard to those parenting on their own, it must be borne in mind there is a lot of work parenting a child or children. Many people parenting on their own have done very well at it. Although we are spending over €1 billion on the one parent family payment, none of the Deputies can explain why, in the context of the large spend, the outcomes on poverty for lone parents have been worse. That is a question that must be asked in the House.

I have many friends and know many people who parented on their own. Many of them aged from being lone parents by the time their children reached adulthood. I listened to what they have to say and they consistently tell me they regret not going back earlier to education, training and employment. Leaving the workforce and not picking up on education and qualifications means people run the risk of only being able to go for low paid and temporary or casual work. Deputies know exactly what I am talking about. How has our system done that? It has done so by being passive and not providing a pathway. In the cases of very young lone parents, who had a child in the middle or later teenage years or early 20s, the best outcomes, and the lone parents who have done most successfully in terms of economic outcomes for themselves and their children, are those who have gone back to education or training or taken up some employment and retained a connection to the labour market. The women in these situations have often been from middle-class families or from parents who solidly supported them to stay in education, or to take a few years out while the baby was young and then to continue with education so that they qualify and are in a position to get the kinds of jobs they aspire to and, ultimately, to have a career with a living wage.

We must reflect carefully on the cases where that has not been the experience. From his experience in Limerick, Deputy O'Dea knows the sterling work by a series of community organisations in different parishes in Limerick. With his hand on his heart, Deputy O'Dea would not say the outcomes in Limerick city have been the kind of outcomes he would want in terms of progression for those parenting on their own. I refer particularly to the outcomes for children. This also applied during the height of the Celtic tiger. Much money went into this area.

It is a difficult job but what I am trying to do is to move social welfare from being passive to proactive. We can examine countries that have tried to do something differently and where the outcomes have been better. What is critical is a society where the emphasis is on parents being able to remain connected to education, finish education or return after a certain time to get the qualifications that enable them to get employment. This measure recognises the situation in the United Kingdom and the North, about which I have a discussion with Deputy Ó Snodaigh, where what is termed the lone parent "ageing out age" is seven years of age in the UK, with conditionality. In Scandinavian countries it is generally far younger. I referred to this in the debate in the Seanad and I am sure Deputy Ó Snodaigh recalls the modification on the point of people genuinely seeking work. The purpose of the amendment is to develop capacity to take into account the caring requirements and the real social needs to give enhanced opportunities and encouragement to lone parents to stay in education and, ultimately, to be able to get the kind of employment they aspire to and that will enable them to have a career.

I reiterate that I want to see us looking at parents as parents, not asking their relationship status. Much of the social welfare system was built upon relationship status. Although thankfully it is not so much the case nowadays, the child of a lone parent was seen as having a greater challenge than the child of a couple living together or married. Deputies referred to the poverty rates of lone parents. We must have the same ambitions for lone parents as we have for other people so that they can participate fully.

I have had an opportunity to visit and meet many of the organisations involved. Almost all of them are positive about lone parents being encouraged to take up employment and, particularly, education and training. There is a major increase in people in receipt of back to education allowance. I am happy to say we have developed and begun, on a pilot basis, 6,500 after-school places. These will be available to parents going back to work.

I am also conscious of the fact that our system must encourage married couples where no one in the family is working and both adults are in receipt of social welfare payments. We must encourage them so that no child, for a long period of childhood, is living in a house where none of the adults are at work. The research on those at risk of poverty or those with bad experiences of poverty identify jobless households as those with the worst of all outcomes, whether one or more adults lives in the house. The after-school child care system has been rolled out since April and it will be fully rolled out nationally by September, the start of the new school year. It is a start but it is an important one because for parents at work, when the children are in school, work within the framework of school hours suits best. The extra hour or two getting back after school can be a vital issue for parents whose children are at school.



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We are rolling out the new Intreo offices and lone parents who are in the transitional stage will have access to all of the services of the Intreo offices, while taking into account that they might be more interested in part-time work given their caring responsibilities.

My ambition is to see one-parent families being enabled to become active in employment, education, training, work experience and work opportunities. Deputy O'Dea said that getting employment is one of the most important indicators. With regard to the case he mentioned, if he provides us with the details we will certainly examine it. It is hard to take in the details in summary form but perhaps he will give a copy to the officials. I believe having a focus on the fact that lone parents will be expected to be involved in education will put a very firm focus in the Department on looking at additional supports for lone parents, particularly child care and after-school child care. We will be spending approximately €14 million on the after-school child care places. That is a significant amount of money at a time when the budget is extremely tight. It is a development I really look forward to in this country.

The early childhood education development initiated by the previous Government was a very positive development. Obviously there is a long way to go in terms of rolling out the quality of services we would like, but huge numbers of children in my constituency avail of it and it has been hugely positive. My colleague, the Minister for Children and Youth Affairs, has said she would ultimately like a second year to become available, as I would, on a phased basis as resources permit.

**Deputy Willie O'Dea:** I seek clarification on my amendment, No. 12. Does that inevitably result in deferring the change the Minister is proposing? Essentially, I am proposing that the arrangement the Minister is proposing to change should be put on ice, as it were. How does that imply that I am delaying it?

**Deputy Joan Burton:** We have already changed the law relating to the changes that have been put into law. Based on the discussions we have had and the availability of child care, we are now making transitional arrangements. If one were to abandon everything, one would be returning to the old idea that lone parents would be left passive.

**Deputy Willie O'Dea:** No, I am just talking about the amendment.

**Deputy Joan Burton:** It is an extremely positive measure to involve lone parents in the full range of activation possibilities that are available for them. Under the Deputy's amendment, as I understand it, we would drop the transition arrangements which we are putting forward. As the Deputy said, he wants everything put on ice. I do not believe that putting things on ice is the correct way. I understand that the Deputy is probably trying to reverse it, but I do not agree to that. I genuinely do not believe it is in the best interests of lone parents. The Deputy obviously has a different view.

**Deputy Willie O'Dea:** No, I am suggesting that we do not start to implement it until the economy improves, because of the extent of poverty among lone parents in particular. However, if the effect of the amendment is to defer the change, which is better than what was there previously, I will be happy to withdraw it.

I must take issue with the Minister on a number of points. She argues that the spend on lone parents did not yield the desired outcomes. Let us face the fact that this is a cost saving measure. It will save money and the Minister has already stated that. The figures have been given in the budget. The Minister is essentially saying that we will have better outcomes if we spend less, which is a dubious proposition at best.

Let us take the example of a lone parent who is not working and who must transfer from lone parent's allowance to jobseeker's allowance. They are not affected by this change. It is the lone parent who goes out to work who will be affected. The Minister says it is desirable to have an incentive to go out to work. However, if one is reducing the reward a person gets for going out to work, that is a disincentive, the opposite of an incentive. I do not buy this idea that one must force lone parents onto jobseeker's allowance to get them involved in activation measures, education, training and so forth. Surely there can be a provision whereby lone parents in receipt of lone parent allowance can get involved compulsorily with the activation measures that are available. It is not necessary to change the status of the payment they are receiving.

I tried to explain the net result in the case I outlined, and I will give the details to the Minister's officials. Most lone parents are in very low waged employment or they work part-time. Usually, if one adds their net income to their lone parent allowance, they are under the FIS threshold. It is approximately €506 for one child. They are getting some FIS but if one takes away their lone parent allowance, the FIS will increase because the income has dropped. However, FIS is 60% of the difference between the combined income and the target figure which, in the

case of one child, is €506. In other words, instead of getting the lone parent allowance, they will now be compensated by an increase in FIS to the extent of 60% of the lone parent allowance they had been receiving.

My point is that this will hit many individuals very hard. It will not encourage them to go out to work and it will not compel or encourage them to get involved in activation, training and so forth. It is just a savage financial blow to a large number of vulnerable people who can ill afford it at this point in time.

**Deputy Aengus Ó Snodaigh:** I do not have a major problem with the proposition contained in the Bill. My problem was with the initial changes. If it provides a facility for single parents to return to education or encourages them in any way, that is a welcome step. It is very challenging for one - or two - parents to raise children in today's climate and anything that can be done to encourage people to get further education and to enhance their ability to do that is acceptable.

However, we must remember that the jobs are not available, so if there is a punishment for not engaging fully we must be mindful of that. The last available figures indicated there were 50 unemployed people for every job vacancy. It might have changed since due to the huge number of young people, and indeed older people, who left the country and, perhaps, skewed the unemployment and jobs figures.

I am still unhappy with the change in the age. If the Minister reversed the changes that were made from 12 years to seven years and this proposal continued, it would have been a recognition of the likelihood that there will not be a Scandinavian model in place for at least another ten years, if not more. That would have addressed many of the concerns because these are additional supports. The Minister is talking about moving people from the lone parent family payment to the jobseeker's allowance once the youngest child reaches seven, albeit with certain transitional arrangements in place. It would be much easier if the lone parent family payment were retained until the child was 12, or 14, as was once the case, and if there were as much access to training and work as possible. A myth created in this debate is that every lone parent who was in receipt of the payment was in receipt of it from the birth of the child until the child reached the maximum age in respect of which the payment could be made available. My information is that the majority stopped receiving the payment when full-time work became available. I do not know the current position with work not being available. In the past, the majority took up work when it was available or they received training. The issue was addressed in the past.

The areas where the lone payment allowance was most concentrated were areas in which there were many difficulties, including disadvantage. It was not just lone parents - they were mostly women - who were suffering the consequences of disadvantage; the whole community suffered. These are challenges that society has not fully addressed. Recent changes to the social welfare code have exacerbated some of the problems in the areas in question. While this legislation is positive by comparison to the last social welfare legislation, it is not where it should be. Although I do not oppose the measure before us, I contend the reason for it is that the Minister examined retrospectively what the Opposition said about the consequences of the changes and noted the actions of groups such as SPARK or One Family in campaigning to highlight how lone parent families were disproportionately affected by the last two budgets cuts in particular by comparison with the majority of others on social welfare. In some ways, this Bill is a positive step but it does not address the changes and regressive steps that have been taken.

Since the movement of lone parent families to the jobseeker's allowance is a transitional measure, I tabled a related amendment, but it was ruled out of order. Amendment No. 2 concerns those who are forced to retire at the age of 65 because of their contracts. I intended that there should be some kind of traditional payment for them. The affected individuals are forced to apply for the jobseeker's benefit or allowance. If the Minister can make a transitional arrangement for a lone parent family, such an arrangement could be encouraged for those who are retiring at 65 so that the restriction pertaining to the jobseeker's allowance, namely, that one must actively seek work, will not apply. I argued that what is occurring is ridiculous. Workers are being informed at 65 that they must retire in some months although the State transitional pension has disappeared. There is no pre-retirement allowance of the kind that existed in the past. The Minister should reintroduce the pre-retirement allowance. It is not valuable for the State to be pursuing people of 65 and 66 to make them seek work actively for one year. Obviously, they should be encouraged to do so. If they are lucky enough to get work, that is fine. The number of individuals affected is reducing because most people from now on will have contracts lasting until the age of 68.

**Deputy Richard Boyd Barrett:** The Minister has not really addressed the substantial issue that has been raised by a number of Deputies and which is the basis of my amendment and argument. The argument was put to me by SPARK, bearing in mind the impact this legislation will have on lone parents who are working. It will hurt them financially and act as a disincentive to work. The measure is going in precisely the opposite direction to the

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direction the Minister claims she wants to go. When she states we all need to address seriously the question of lone parents engaging with work, education and training, she should start by acknowledging that a very significant number of lone parents want to do so. In so far as they have been given the opportunities, incentives and supports to seek work or training, they have sought them. The number engaging has fallen recently given the impact of the recession and cuts, yet approximately 36% or 37% of lone parents are working. The percentage was considerably higher some years ago. It is obvious that if the Minister wants people to work, she should incentivise their doing so. One of the best incentives is to have well-paid jobs available such that going to work would be beneficial financially to one's family. I acknowledge there is not much work at present. It certainly flies in the face of wanting to move in the direction of incentivising work if lone parents are to be hit and hurt financially if they are working when their children reach the age of seven. The Minister cannot justify or stand over this. She has not addressed the specific problem.

When one asks the fair question as to why lone parents suffer disproportionately from poverty and disadvantage, the Minister implies it is because the lone parent family system was too passive and did not encourage or assist lone parents in engaging with education, training and employment. There is a much more fundamental answer, namely, the cost of child care. The latter is the difficulty. The Minister acknowledged this. As a result of the lobbying and protesting of lone parents' organisations after the budget announcements, and having thought about the matter, the Minister said the Department would not go ahead with its proposal unless we had a Scandinavian model of child care. She acknowledged this. The answer is that one must have the supports and child care, but we do not have them. The Minister states there are 6,000 new places for after-school care but this is against a backdrop in which the Department estimates the budgetary changes will affect 63,000 claimants. Of course it is an improvement, but 6,000 is a tiny drop in the ocean compared to the number of claimants who will be affected by the changes the Department proposes to make.

We need incentives for people to work, of which the most important is the availability of good, well-paid jobs, and there are not many of them. That is not the sole responsibility of the Minister's Department - rather, it concerns the Government - but it is what we need. We also need child care to enable people who have shown their willingness to work to do so. A high proportion worked when it made sense for them to do so or when jobs were available. The system may not be working for some people. We need to improve it and it could be more proactive. That is not just true of lone parents, to which the Minister alluded; it is true of many groups in our society. Many people who want to work are not getting the help they need. They want to get back into work and be retrained and educated, but are not getting the help and assistance to do so. We should be proactive in giving people assistance, but the problem is that there are people, such as lone parents, for whom it is difficult because of the lack of supports and financial incentives. Will they be subject to the very draconian amendments the Minister has tabled in terms of reducing or even cutting off payments if they do not engage with the system? I presume they will be subject to them. That is pretty serious, given that the cuts that have been imposed by the Minister are acting as a disincentive for people to work when it is already difficult for them to do so. They will be disincentivised and hit financially. If they cannot sustain work for whatever reason they could potentially be subject to draconian measures and be further punished for things that are not their fault. Parents are struggling to bring up children in difficult financial circumstances.

The Minister has not addressed the key issue. Lone parents want to work but it is difficult to do so, and it is more difficult when they lose money because of the fact that they are working, as is the case with the transition payment. It is better than what was announced in the budget but it is still a problem.

**Deputy Joan Burton:** The purpose of the amendment is to take into account the fact that people are parenting on their own by relaxing the requirement, in regard to jobseeker's payments, that the claimant be genuinely seeking work to take into account the fact that people have child care commitments and to allow them to satisfy that commitment. I do not make any apology for insisting that the system, not just for lone parents but everybody, move from being passive. People went on social welfare and were left there. There were never asked to attend an interview or find out what the Department of Social Protection could do for them. To some extent they were parked, and there was a lot of money to do that. However, many people get enormous satisfaction, personal, family and community esteem and ambition for their children by being able to take part in education, training, work experience and working for a living wage. That is the system to which we are changing.

The Deputy's suggestion is that it is very harsh. I do not think he is suggesting that entirely, because he said he welcomes people going back to work. As a society we have to build a child care system to reflect the kind of systems we would like to see. We have to move away from a completely passive social welfare system to one that will encourage people to work. As the Deputy said, more than 60% of lone parents do not work.

*Dáil Eireann*

He asked if lone parents will be subject to the activation process. The answer is yes. Equally, there is a requirement for the public service, including my Department and the Department of Jobs, Enterprise and Innovation, to ensure work is available to those on the live register. Lone parents are a tremendous resource for the country. We have to see that resource released, primarily for the people, their families and their communities, but also for the whole of Irish society.

Social welfare is moving from being an income cushion to support people at different stages of their lives and in different conditions and circumstances to being a springboard or a trampoline to get people to where they want to be. That is how we will build a kind of welfare state that will be supportive of people, particularly those of working age. We envisage that such people would be participants from the time they finish their general education until they eventually retire. Given that life expectancy is increasing for most people, that is a relatively long period.

I understand that the change we are making in the social welfare system is probably difficult for many people, but everyone who has come to Ireland from almost every country around the world and looked at our social welfare system is shocked and surprised at how passive it is. Other countries do not have the same level of passivity that our social welfare system has. Why, during the boom when a lot of employment was available, did the number of jobless families almost double, from below 10% to 15%? Nobody has explained that to me. Why, during the boom, did the number of people on various types of illness payment, in a population which is relatively healthy, climb to the astonishing figure of 16%? We have to ask ourselves these larger questions because it is those at work who, through their taxes and social insurance payments, pay for the system.

Equally, we know most individuals and families would be better off if adults could participate in the kind of work they are interested in doing and for which they would be paid a living wage. It is increasingly the case that employers are employing people for relatively few hours and people are relying on the social welfare system for the balance of their income. Many changes are taking place in the world of work. In the second half of last year Ireland experienced the first increase in the number of people in work since the crash. That is a small sign, and it is nothing like the level I would like to see, which is why I have talked about investment and stimulus programmes, but it is important that we work on every element of this. That is why the approach will be to move to an active social welfare system with support and expectations, whereby the Department of Social Protection, in conjunction with the Departments of Education and Skills and Jobs, Enterprise and Innovation, will help people to get into education and training and back to work. Equally, people will be expected to make an effort to do so. It is a system of mutual obligations to which people who are in work and paying taxes are contributing. Most people are happy to pay PRSI, with the conditionality that it goes to those who require it and recipients are encouraged to be active and become financially independent.

Question put and agreed to.

SECTION 11

**Deputy Willie O’Dea:** I move amendment No. 12:

In page 16, between lines 34 and 35, to insert the following:

“11. (1) Section 178B of the Principal Act (as amended by section 5 of the Social Welfare and Pensions Act 2012) is amended by inserting the following new subsection (5)—

“(5) Subsection (2)(b) and (c) shall be introduced at a time of the Minister’s discretion.”.

(2) Section 178C of the Principal Act (as amended by section 5 of the Social Welfare and Pensions Act 2012) is amended by inserting the following new subsection (5)—

“(5) Subsection (2)(b) and (c) shall be introduced at a time of the Minister’s discretion.”.”.

I have already dealt with this amendment.

Amendment, by leave, withdrawn.

Section 11 agreed to.

SECTION 12

**An Leas-Cheann Comhairle:** Amendments Nos. 13 and 15 are cognate and may be discussed together by agreement.

**Deputy Joan Burton:** I move amendment No. 13:

In page 17, between lines 35 and 36, to insert the following:

**“Jobseeker’s benefit — refusal or failure to engage with activation measures**

**12.** (1) Section 62(5) of the Principal Act is amended in paragraph (a) (amended by section 5 of the Social Welfare and Pensions Act 2009)—

(a) in subparagraph (ii) by substituting “available for employment, and” for “available for employment,”,

(b) in subparagraph (iii) by substituting “family circumstances,” for “family circumstances, and”, and

(c) by deleting subparagraph (iv).

(2) The Principal Act is amended by substituting the following sections for section 62A (inserted by section 7 of the Social Welfare Act 2010):

**“Refusal or failure to attend activation meetings relating to jobseeker’s benefit**

62A. (1) Notice may be given by or on behalf of the Minister to any person receiving jobseeker’s benefit requesting the person, at the time specified in the notice, to comply with the requirement specified in paragraph (a) or (b) of subsection (3).

(2) Where a person refuses or fails, without good cause, to comply with the requirement specified in the notice under subsection (1) at the time specified in that notice, or at any time thereafter as may be determined by or on behalf of the Minister and notified to the person, the weekly rate of jobseeker’s benefit payable to that person in respect of any such period of refusal or failure shall, subject to this section, be as set out in section 65(2) or, as the case may be, paragraph (a), (b) or (c) of section 65A(2).

(3) A notice under this section may require the person to whom it is given to do one of the following, at the time specified in the notice, or at any time thereafter as may be determined by or on behalf of the Minister and notified to the person—

(a) attend at a meeting arranged by or on behalf of the Minister for the purpose of providing information to that person which is intended to improve his or her knowledge of the employment, work experience, education, training and development opportunities available to that person, or

(b) attend for or submit to an assessment of that person’s education, training or development needs.

(4) Where jobseeker’s benefit is paid to a person at the weekly rate set out in section 65(2) or, as the case may be, paragraph (a), (b) or (c) of section 65A(2) on account of a refusal or failure to comply with the requirement specified in the notice under subsection (1) for a period of not less than 21 days, notice may be given by or on behalf of the Minister to that person requesting him or her, at the time specified in the notice, to comply with that requirement.

(5) Where a person refuses or fails, without good cause, to comply with the requirement specified in the notice under subsection (4) at the time specified in that notice, or at any time thereafter as may be determined by or on behalf of the Minister and notified to the person, that person shall be disqualified for receiving jobseeker’s benefit for any period of continued refusal or failure commencing on the date specified in the notice under subsection (4), but such period of disqualification shall, subject to subsection (6), not exceed 9 weeks.

(6) Nothing in this section shall prevent the provisions of subsections (1) to (5) being applied to a person where, on or after the expiration of such period of disqualification as is applied in accordance with subsection (5)—

(a) notice has been given by or on behalf of the Minister to that person requesting him or her, at the

time specified in the notice, to comply with the requirement referred to in subsection (1), and

(b) that person continues, without good cause, to refuse or fail to comply with that requirement.

(7) Where, on the commencement of *section 12* of the *Social Welfare and Pensions (Miscellaneous Provisions) Act 2013*, jobseeker's benefit is being paid to a person at the weekly rate set out in section 65(2) or, as the case may be, paragraph (a), (b) or (c) of section 65A(2) for a period of not less than 21 days—

(a) a notice may be given by or on behalf of the Minister to that person requesting him or her, at the time specified in the notice, to comply with the requirement specified in paragraph (a) or (b) of subsection (3), and

(b) subsections (4) to (6) shall apply to that person where he or she refuses or fails, without good cause, to comply with that requirement at or after the time specified in the notice under paragraph (a), or at any time thereafter as may be determined by or on behalf of the Minister and notified to the person.

**Refusal or failure to participate in prescribed schemes, programmes or courses relating to jobseeker's benefit**

62B. (1) Where—

(a) as a consequence of attendance for or submission to an assessment in accordance with section 62A(3)(b), a request is made by or on behalf of the Minister to that person to participate in, agree to participate in or avail himself or herself of an opportunity of participating in—

(i) any scheme or programme of employment or work experience,

or

(ii) a course of education, training or development, which is prescribed for the purposes of this section and which is considered appropriate having regard to the education, training and development needs of that person and his or her personal

circumstances, and

(b) that person refuses or fails, without good cause, to participate in, agree to participate in or avail himself or herself of an opportunity of participating in such a scheme, programme or course, as the case may be, the weekly rate of jobseeker's benefit payable to that person in respect of any such period of refusal or failure shall, subject to this section, be as set out in section 65(2) or, as the case may be, paragraph (a), (b) or (c) of section 65A(2).

(2) Where jobseeker's benefit is paid to a person at the weekly rate set out in section 65(2) or, as the case may be, paragraph (a), (b) or (c) of section 65A(2) on account of a refusal or failure referred to in subsection (1)—

(a) notice may be given by or on behalf of the Minister to that person requesting him or her, at the time specified in the notice, to attend for or submit to an assessment of that person's education, training or development needs, or

(b) a request may be made by or on behalf of the Minister to that person to participate in, agree to participate in or avail himself or herself of an opportunity of participating in—

(i) any scheme or programme of employment or work experience,

or

(ii) a course of education, training or development, which is prescribed for the purposes of this section and which is considered appropriate having regard to the education, training and development needs of that person and his or her personal

circumstances.

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(3) Where a person refuses or fails, without good cause, to—

(a) comply with the requirement specified in the notice under subsection (2)(a) at the time specified in that notice, or at any time thereafter as may be determined by or on behalf of the Minister and notified to the person, or

(b) participate in, agree to participate in or avail himself or herself of an opportunity of participating in any scheme, programme or course referred to in subsection (2)(b), that person shall be disqualified for receiving jobseeker's benefit for any period of such refusal or failure commencing on—

(i) the date specified in the notice under subsection (2)(a), or

(ii) the date of refusal or failure to participate in, to agree to participate in or to avail himself or herself of an opportunity of participating in any scheme, programme or course referred to in subsection (2)(b), as the case may be, but such period of disqualification shall, subject to subsection (4), not exceed 9 weeks.

(4) Nothing in this section shall prevent the provisions of subsections (1) to (3) being applied to a person where, on or after the expiration of such period of disqualification as is applied in accordance with subsection (3)—

(a) notice has been given by or on behalf of the Minister to that person requesting him or her, at the time specified in the notice, to comply with the requirement referred to in subsection (2)(a), or

(b) a request has been made by or on behalf of the Minister to that person to participate in, agree to participate in or avail himself or herself of an opportunity of participating in any scheme, programme or course referred to in subsection (2)(b), as the case may be, and that person continues, without good cause, to refuse or fail to—

(i) comply with the requirement specified in the notice under paragraph (a) at the time specified in that notice, or at any time thereafter as may be determined by or on behalf of the Minister and notified to the person, or

(ii) participate in, agree to participate in or avail himself or herself of an opportunity of participating in any scheme, programme or course referred to in paragraph (b).

#### **Giving of notice under section 62A or 62B**

62C. A notice under section 62A or 62B shall be given in writing and may be given in such other form as may be considered appropriate, including electronic form.”.

(3) Section 65(2) (inserted by section 7 of the Social Welfare Act 2010) of the Principal Act is amended by substituting “subsection (2) or (6) of section 62A or subsection (1) or (4) of section 62B” for “section 62A”.

(4) Section 65A(2) (inserted by section 7 of the Social Welfare Act 2010) of the Principal Act is amended by substituting “subsection (2) or (6) of section 62A or subsection (1) or (4) of section 62B” for “section 62A”.

(5) Section 68 (amended by section 7 of the Social Welfare Act 2010) of the Principal Act is amended—

(a) in subsection (6) by inserting the following paragraph after paragraph (a):

“(b) has refused an offer of suitable employment,”,

and

(b) by deleting subsection (6A).”.

My Department has committed under Pathways to Work, the Government policy statement on labour market activation, to engage with and provide supports to unemployed persons. It is in this context that I move these amendments. A key strand in the process is to ensure that all persons in receipt of jobseeker's benefit or allowance fulfil their personal responsibility to engage fully with the employment and training supports provided by the State

as a precondition of receipt of welfare payments.

As a means of achieving the engagement of jobseekers who do not comply with activation measures, including the National Employment Action Plan, sanctions were introduced in April 2011 providing for reductions of up to €44 per week in the personal rate of payments. The Department has significantly increased the volume and efficiency of activation work in recent years by bringing groups of customers to information sessions prior to one-to-one engagement. Referrals to group engagement sessions have more than doubled to 38,100 in the first four months of 2013 compared with the same period in 2012. The group engagement process, combined with notifications about the possible sanctions for failure to engage, has resulted in improved levels of customer engagement and increased attendance at one-to-one interviews. The number of interviews achieved through the referral process has increased from 29,000 in the first four months of 2012 to 32,000 in the first four months of this year.

Under the current arrangement, a reduction of up to €44 per week in the personal rate of the jobseeker's payment is applied where a person fails to engage in the employment action plan or refuses to avail of appropriate training. In other words, a person in receipt of a full weekly rate could have his or her payment reduced to €144. The current engagements also preclude the payment of supplementary welfare allowance to compensate for this reduction. Under the revised arrangements, it is proposed that the sanctions which currently apply to refusals to participate in training and education options be extended to prescribed employment programmes and education courses. The revised arrangements also provide for a strengthening of the sanctions in the form of disqualification for up to nine weeks where a customer continues to fail to engage with activation measures after the weekly rate of payment has been reduced for more than three weeks.

The imposition of these sanctions can be appealed to the Social Welfare Appeals Office. It is intended that the proposed provisions will also generally prevent the payment of supplementary welfare allowance to compensate for the imposition of the disqualification, but payments of increases for qualified adults or children and supplements such as rent supplements will not be affected by the nine-week disqualification condition. It is applicable, in other words, to the individual's principal personal payment. The imposition of the nine-week disqualification may be lifted at any time if the person demonstrates a genuine re-engagement to the satisfaction of a deciding officer. Transitional arrangements will allow for the new disqualification provisions to be applied to people who have had their weekly payment reduced under the current provisions and who continue to fail to engage with activation measures after the Bill has commenced.

**Deputy Willie O'Dea:** I recognise that this amendment simply represents an extension of an existing provision, but it also comprises a substantial strengthening of the sanctions. Why was this significant change not included in the original legislation? The Minister will no doubt say it had not been cleared by the Attorney General's office but, if that is the case, why not hold the Bill until such time as significant provisions, including this amendment and the earlier provision regarding attachment orders, were included in the Bill as drafted? That would have afforded us an opportunity to take advice, consult people at the coal face and come in here properly briefed for the Second Stage debate. The Government's legislative programme advertised the fact that change in the priority system for defined benefit pension schemes would be central to this Bill, but there is no provision for same. This amendment, on the other hand, amounts to a very significant change introduced at the last moment and shoehorned for discussion on the graveyard shift, in which nobody is taking the slightest interest. That is probably the intention. I could never work out exactly what the two parties comprising the Government were talking about when they spoke in advance of the election about a constitutional revolution and an entirely new way of doing business. If this is the new way of doing business, if this is the revolution, then people who are worried about constitutional change can certainly rest easy in their beds. This is no revolution. It is, in fact, an appalling way of doing business.

The amendment provides that sanctions will kick in where a person refuses or fails, without just cause, to comply with the requirement to engage with the specified labour activation measures. The Minister made the point that people can appeal a decision in this regard. The reality, however, is that while welfare recipients may believe they have just cause, the harassed and overworked local social welfare officer who is dealing with 50 or 100 cases at a once might not feel disposed to examine in very much detail whether or not that is the case. At what point can a person appeal and if an appeal is instituted immediately, will the sanctions be stalled pending the outcome of the appeal? In other words, will an appeal prevent the sanctions from kicking in or will we have a ridiculous situation where sanctions kick in immediately even though the individual believes he or she has very good cause for not complying and is waiting six months for the appeals officer to make a decision on the matter?

**Deputy Aengus Ó Snodaigh:** I echo the concerns raised by Deputy Willie O'Dea in regard to the procedure for dealing with these proposals. We are stuck here at this hour of the night without yet having reached the pen-



sions provisions. This is unacceptable, notwithstanding the merit of some of those proposals.

This amendment would require much longer than ten minutes to deal with adequately, but I will be brief in order to accommodate other speakers. This is another section which is all about sanction and stick, with no carrot whatsoever. The vast majority of people I know who have lost a job - we are dealing here with jobseeker's benefit and allowance - would love to have employment. They want to be out of the house every day earning money and have no wish to sit around doing nothing. Sometimes, however, the enormity of what has happened to them does not hit for some time, while in other cases it happens quite quickly. Some people go into a depression which prevents them from engaging properly. That is not, however, an excuse not to engage with activation measures. The valid reason for a failure to engage is when no activation programmes are available and there is no access to training and education at a given time. A person might, for example, be laid off in June but the education course in which he or she wishes to participate does not commence until later in the year. There is no definition of just cause in the Bill. I presume that is up to the inspector in an office to decide, but nothing is ruled in or out. One person's just cause might not be another's and that is when one appeals to the social welfare appeals office. Given that the first amendment deals with jobseeker's benefit, it is pointless because by the time the appeal will be heard, if the current delays continue - I hope they will not - the person concerned will have transferred to a different payment, especially given that earlier this year the Minister reduced the length of time for which people are entitled to draw jobseeker's benefit. I know that in Finglas, for example, there are very few community employment places available. Most of them have been taken up. There are no courses available and there is very little training because the places have been taken up. That means that the majority of those on jobseeker's allowance or benefit want to engage. If one can find courses in any FÁS centre for which there is no uptake and demand, I would love to point some of the people in Ballyfermot towards them. The area has always had a high level of unemployment, but the people there want to take up courses and ensure they have the opportunity and the skills required when jobs become available. However, they do not have access to courses and by courses I mean meaningful courses which are fit for purpose, but we do not have them as yet. I believe the Minister is working in that direction with the Minister for Education and Skills, Deputy Ruairí Quinn. If SOLAS and the changes to FÁS were in place, if the changes to the VECs, with tutors travelling to community employment centres to give courses, were rolled out and if there was no uptake or people sat back waiting, one could argue for this amendment. However, I cannot see a huge level of refusals to engage in any community. I asked when we discussed the last amendment about the 65 year olds who would now be on jobseeker's benefit. This also applies to them. It is absolutely crazy that, having reached the retirement age set when they started work, they will now be punished and whipped into line to ensure their activation, even though the likelihood is they will not end up in any meaningful or full-time employment in the vast number of cases, given the state of the economy. I am not saying 65 year olds should not work if they can find it, but I am being realistic. There should be some recognition, through a transitional arrangement, for those who are 65 years or over, but the last State transition pension was payable at the age of 65 years.

**Deputy Richard Boyd Barrett:** The Minister says we need an active rather than a passive social welfare system. I agree and suspect most of us do. This amendment concerns the difference between what the social welfare system can do for or to one. It is all about what it can do to one, not at all what it can do for one. That is what needs to be addressed. Other speakers have said people want the education courses, training and the jobs. One does not have to go far to find this out. One has to go as far as talking to just about anybody who has lost his or her job in the past three or four years, which is the majority of those dependent on social welfare. They want to get back into work and education and training. They want assistance.

The amendment concerns punishments and so on, which is not the best incentive. In fact, it will get people's backs up, but there is also a real danger that it will end up as a box-ticking exercise. There was an element of this in what the Minister said. How many meetings did she say she had had this year with what we now call "customers", which is an interesting term? Will it end up as a statement about the number of meetings held with customers? Will it be a box-ticking exercise, after which the Minister might say, "We had 25,000 meetings with customers this year. We are doing really well in activating people. We have got so many people on this or that course"? What happened at the meetings held? What were the courses for? Where did they lead to?

**Deputy Joan Burton:** For a lot of people, to employment, actually. They are delighted to be working or on community employment schemes or engaging in various other activities.

**Deputy Richard Boyd Barrett:** Many of them are, which shows that they do not need the stick as much as they need the carrot. This is all stick and no carrot. The Minister needs to examine that issue. If she really wants to help to activate people, instead of Departments inflicting punishments on people, she could set up local employment fora and bring in people on social welfare to ask them what she could do for them to help them to get back

to work and be trained. If the Department gave people what they asked for and wanted, she would go a lot further in creating jobs.

**Deputy Joan Burton:** On a point of information, that is exactly what the group engagements are about; people come back to the Department to thank it because they did not appreciate the full range of supports available. We are constantly thanked. Maybe the Deputy is not, but we are.

**Deputy Catherine Murphy:** There are 450,000 people who do not want to be customers. People come to me to ask how they can get onto a community employment scheme, if there is a vacancy anywhere, how they can get on a Tús scheme and I have to tell them that is not how it works, that a list is generated and if they are on that list, they will be called for interview. There is a willingness and a desire to work because, as the Minister said, many believe they are defined by what they do. To whom will these further sanctions be applied? I do not meet them.

Dealing with this issue at this time of the night means that it has not received the consideration it needs from outside and inside, which is nothing short of a disgrace. The initiatives introduced late at night tend to put people at a serious disadvantage.

To reiterate Deputy Aengus Ó Snodaigh's point about the recipients of the transition pension, people who are aged 65 years, who have probably worked all of their lives, perhaps from the time they were 15 or 16 years, must wait one year after their job requires them to retire at 65 years. That is untenable and it takes people by surprise. I know the arrangement will kick in from next year, but the Minister should study it again.

Does the Minister intend to accept any of the amendments we will not reach tonight?

**Deputy Joan Burton:** The people who have been involved in a sanctions regime absolutely failed to engage and there is no response from them. They must have some accountability for the public income and support they are receiving and take part in the activation process.

*0 o'clock*

As Deputy Catherine Murphy said, the majority of people are anxious to engage. Those who do not are a small group of people but, if they fail to engage, it can be demoralising for everyone else involved and for the staff.

**An Leas-Cheann Comhairle:** As it 12 midnight, I am now required to put the following question in accordance with an order of the Dáil of this day: "That the amendments set down by the Minister for Social Protection and not disposed of are hereby made to the Bill; in respect of each of the sections undisposed of, the section or as appropriate the section as amended is hereby agreed to in committee; the Schedule and Title are hereby agreed to in committee; the Bill, as amended, is accordingly reported to the House; Fourth Stage is hereby completed; and the Bill is hereby passed."

Question put:

The Dáil divided: Tá, 76; Níl, 39.	
Tá	Níl
Barry, Tom.	Adams, Gerry.
Burton, Joan.	Boyd Barrett, Richard.
Butler, Ray.	Broughan, Thomas P..
Buttimer, Jerry.	Calleary, Dara.
Byrne, Catherine.	Collins, Joan.
Byrne, Eric.	Colreavy, Michael.
Cannon, Ciarán.	Cowen, Barry.
Carey, Joe.	Crowe, Seán.
Coffey, Paudie.	Daly, Clare.
Collins, Áine.	Doherty, Pearse.
Conaghan, Michael.	Donnelly, Stephen S..
Conlan, Seán.	Ellis, Dessie.

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Connaughton, Paul J..	Ferris, Martin.
Conway, Ciara.	Flanagan, Luke 'Ming'.
Corcoran Kennedy, Marcella.	Fleming, Tom.
Coveney, Simon.	Healy, Seamus.
Creed, Michael.	Healy-Rae, Michael.
Daly, Jim.	Kelleher, Billy.
Deasy, John.	Mac Lochlainn, Pádraig.
Deenihan, Jimmy.	McConalogue, Charlie.
Deering, Pat.	McDonald, Mary Lou.
Doherty, Regina.	McGrath, Finian.
Donohoe, Paschal.	McGrath, Michael.
Dowds, Robert.	McLellan, Sandra.
Doyle, Andrew.	Murphy, Catherine.
Durkan, Bernard J..	Naughten, Denis.
English, Damien.	Ó Caoláin, Caoimhghín.
Farrell, Alan.	Ó Cuív, Éamon.
Feighan, Frank.	Ó Feargháil, Seán.
Ferris, Anne.	Ó Snodaigh, Aengus.
Fitzpatrick, Peter.	O'Brien, Jonathan.
Flanagan, Charles.	O'Dea, Willie.
Flanagan, Terence.	O'Sullivan, Maureen.
Griffin, Brendan.	Pringle, Thomas.
Hannigan, Dominic.	Ross, Shane.
Harrington, Noel.	Stanley, Brian.
Harris, Simon.	Tóibín, Peadar.
Hayes, Tom.	Troy, Robert.
Hogan, Phil.	Wallace, Mick.
Humphreys, Heather.	
Humphreys, Kevin.	
Keating, Derek.	
Kehoe, Paul.	
Kenny, Seán.	
Kyne, Seán.	
Lawlor, Anthony.	
Lynch, Ciarán.	
Lynch, Kathleen.	
Lyons, John.	
Maloney, Eamonn.	
Mathews, Peter.	
McCarthy, Michael.	
McEntee, Helen.	
McHugh, Joe.	
McLoughlin, Tony.	
McNamara, Michael.	
Mitchell, Olivia.	
Mitchell O'Connor, Mary.	

*Dáil Eireann*

Mulherin, Michelle.	
Murphy, Dara.	
Nash, Gerald.	
Neville, Dan.	
Ó Riordáin, Aodhán.	
O'Donnell, Kieran.	
O'Donovan, Patrick.	
O'Mahony, John.	
O'Reilly, Joe.	
O'Sullivan, Jan.	
Phelan, Ann.	
Phelan, John Paul.	
Ring, Michael.	
Sherlock, Sean.	
Spring, Arthur.	
Stanton, David.	
Tuffy, Joanna.	
Walsh, Brian.	

Tellers: Tá, Deputies Paul Kehoe and John Lyons; Níl, Deputies Seán Ó Feargháil and Aengus Ó Snodaigh.

Question declared carried.

The Dáil adjourned at 12.15 a.m. until 10.30 a.m. on Wednesday, 12 June 2013.