



DÍOSPÓIREACHTAÍ PARLAIMINTE
PARLIAMENTARY DEBATES

DÁIL ÉIREANN

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

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DÁIL ÉIREANN

Déardaoin, 26 Meán Fómhair 2013

Thursday, 26 September 2013

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

Paidir.

Prayer.

Leaders' Questions

Deputy Dara Calleary: The Government and all of us share the aim of creating more jobs and resolving the unemployment crisis. It is the collective aim of the Deputies from every party in this House and the Independent Deputies. In the 2011 mini-budget, the Minister, Deputy Noonan, announced a reduction in the VAT rate from 13.5% to 9% as part of an initiative aimed at creating jobs in the hospitality industry. Various figures point to the success of this initiative. According to the Restaurants Association of Ireland, up to 9,000 new jobs have been created in that sector alone. The Central Statistics Office has confirmed that the level of employment in the employment, accommodation and food services sectors has increased by 13.3% since the introduction of the initiative. This equates to a net increase of 15,200 jobs in the overall hospitality and tourism industry. Everybody acknowledges that this initiative has worked. It has provided opportunities to 15,200 people who might otherwise still be on the live register or might have left the country like so many others. It has led to substantial savings in the social welfare bill and in other areas.

It is hard to believe in terms of this successful initiative that the rug is about to be pulled from under an industry that is creating employment. Why would the Government consider reversing an initiative that has created so many jobs? As late as yesterday evening in this House, the Minister for Finance gave a very strong indication that he was considering its reversal. Somewhat bizarrely, he said that when he reduced the VAT rate, he had not received one representation calling on him to do so. He said it was all his own idea. I remind the House that the Government has promised to create 100,000 new jobs over its five year lifetime. During yesterday's debate, the Minister described the reduction in the VAT rate as a "pump-priming exercise". He went on to explain that notion:

The idea of pump-priming is that where something is weak, one gives it a break to make

it stronger. However, when it is strong it should fend for itself.

The tourism and hospitality sector depends on the domestic economy as well as on visitors. While there are some very early green shoots, we know our domestic economy cannot be described as strong. I am asking the Minister for Public Expenditure and Reform why the Government is considering the reversal of an initiative that has created more than 15,000 extra jobs. If the Government increases the VAT rate, it will do serious damage to the value perception of our tourism industry, which is an area in which there can be further job creation.

Minister for Public Expenditure and Reform (Deputy Brendan Howlin): I thank Deputy Calleary for his acknowledgement of the success of the initiative taken by the Government. We made the decision to reduce the VAT rate in this area within 100 days of coming to office, when we were facing an extraordinary financial situation with no flexibility at all. We determined that we would put together a €500 million stimulus package. As we did not want to dissipate that package at the time, we decided to focus the €500 million on the hospitality sector as it could have an immediate impact on job creation. The Deputy is right when he suggests that it has been a success. We now need to focus on many other sectors. It is clear from what is going on at this week's ploughing championships that there is a sense of positivity in the agriculture sector. Other sectors of the economy are also feeling an uplift because of Government policies. There is a certain irony in the Deputy's demand for this initiative to be prolonged now, given that he and his party denounced it at the time.

Deputy Paudie Coffey: Yes.

Deputy Brendan Howlin: Not only did they denounce the jobs stimulus plan that was announced before this Government had been in place for 100 days, but they also denounced the funding mechanism. Deputies will recall that it was funded by means of a levy on pension funds. One cannot welcome the result while denying the means.

Deputy Finian McGrath: It is a bit like the Government cutting child benefit.

Deputy Brendan Howlin: I presume Deputy Calleary is belatedly acknowledging that the decision taken by the Government within 100 days of coming to office to focus on a sectoral job creation effort that has demonstrably created at least 15,000 additional jobs, as the Deputy has admitted, was the correct policy decision at that time. Obviously everything is on the agenda in the context of the forthcoming budget. We will make the right decisions in budget 2014, as we did within 100 days of coming to office. I have no doubt that Deputy Calleary will denounce those decisions, as he did at the start of our term.

Deputy Michael Healy-Rae: That was a pitiful response.

Deputy Dara Calleary: I thank the Minister for not answering the question. We denounced the method of funding because the pension levy was imposed not only on rich pensioners, but also on small pensioners such as those in Tara Mines in Navan.

Deputy Finian McGrath: Hear, hear.

Deputy Dara Calleary: The very lowest paid pensioners had to pay. We did not denounce the initiative. Any initiative that creates jobs is welcome. I will not take a lecture from any Labour Party Minister on denouncing, given that party's record in opposition.

Deputy Finian McGrath: Ouch.

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Deputy Dara Calleary: In August, Fáilte Ireland published a study for the Minister, Deputy Varadkar, and the Minister of State, Deputy Ring, which said that the jobs created by the measure equated “to a benefit to the Exchequer of circa €55 million” and further estimated “that the Exchequer’s tax take on the growth in spending by overseas visitors in 2012 was worth €40 million”. The study also pointed out that “the tax foregone through the implementation of the rate reduction is below” what the Minister for Finance has been saying. The Minister for Finance has suggested that this initiative has cost more than he said it would. The Minister for Transport, Tourism and Sport has suggested that it has cost less than the Minister for Finance said it would. What is the Minister for Public Expenditure and Reform, who will be responsible for introducing the budget side of things, saying?

Deputy Michael McNamara: Is the Deputy in favour of the extension of this measure or against it?

Deputy Dara Calleary: I acknowledge that it has created jobs. We want to keep the jobs that have been created in domestically owned businesses in local communities throughout the country.

Deputy Emmet Stagg: We are trying to make up for the 250,000 jobs that the Deputy’s party got rid of.

Deputy Barry Cowen: Perhaps the Government will keep one promise.

Deputy Dara Calleary: This matter was brought to the floor of the House yesterday by Deputies Ann Phelan and Derek Nolan of the Labour Party and Deputy Brendan Griffin of Fine Gael because they want to maintain these 15,000 jobs. The Minister has an opportunity to make a similar commitment, as his backbenchers did last night.

Deputy Michael Healy-Rae: The Minister for Finance did not take much notice of them.

Deputy Willie O’Dea: Is the Government going to stick with the policy?

An Ceann Comhairle: I ask the chorus to remain quiet while people are speaking.

Deputy Emmet Stagg: We are being provoked, a Cheann Comhairle.

Deputy Finian McGrath: I assume the Chair is referring particularly to the Labour Party Deputy from Clare, who is getting nervous ahead of the match on Saturday night.

Deputy Brendan Howlin: I thank Deputy Calleary for praising us more forcefully and convincingly than we could. He underscored the success of this Government’s sectoral strategy, which he denounced early on in our term of office.

Deputy Dara Calleary: I did not denounce it.

Deputy Willie O’Dea: Is the Government going to stick with it?

Deputy Brendan Howlin: We are pursuing the creation and maintenance of jobs as the first priority of the Government, the first priority of the forthcoming budget-----

Deputy Barry Cowen: That means they are going to get rid of it.

Deputy Brendan Howlin: -----and the first priority in all the decisions we will make for the

remaining two and a half years of our term.

Deputy Finian McGrath: What about the 60 jobs in the Seanad?

Deputy Brendan Howlin: We will focus on that as we have done. The success that Deputy Calleary has outlined, in relation to the tourism sector, will be continued. While I appreciate that the Deputy does not want to take lectures, the unavoidable truth is that the last two years of his party's term of office saw the collapse of 250,000 private sector jobs. We are now creating 3,000 new private sector jobs net per month.

Deputy Dara Calleary: It is about to destroy the industry creating them.

Deputy Brendan Howlin: The previous Government's strategy, which it pushed through this House, of cutting the minimum wage was the wrong one. Our strategy is not to have a low wage economy, to rush to the bottom and to think we can create jobs by pushing down people's basic wage. In the most difficult of economic times, we undid the damaging economic decision the previous Government took.

An Ceann Comhairle: The Minister is over time.

Deputy Brendan Howlin: In thanking the Deputy for his belated acknowledgment of the successful strategy being pursued by this Government, I can assure him that in the next budget we will continue to ensure that jobs continue to be created.

Deputy Mary Lou McDonald: Yesterday was just like every other day for thousands of families struggling with mortgage distress. Some are facing eviction like the family in Kanturk in County Cork. There are many others who will be facing the same scenario. Yesterday was also the day that the Governor of the Central Bank, Professor Patrick Honohan, appeared before the Oireachtas Joint Committee on Finance, Public Expenditure and Reform. That meeting had a sense of the extraordinary about it. We know rightly that the public was scandalised when the Anglo Irish Bank tapes first emerged in the media. We heard at first hand the moolah men describe how they picked figures from their posteriors and how they were going down to the Central Bank arms swinging demanding a multi-billion euro bailout. Yet Professor Honohan, who is Governor of the Central Bank and the regulator, tells us that it will not forward any more information on these tapes to the Office of the Director of Corporate Enforcement or the Garda. Professor Honohan then told us that neither he nor his staff have even listened to the tapes in his possession and indicated that he was not minded to do so.

Is this not incredible? On the one hand, distressed mortgage holder face arrears, possible negative equity, stress, legal letters from the banks and court appearances in many cases. Yet it seems the bankers remain untouchable. Heads, they win and tails, they win. Is the Minister satisfied with the manner in which the Central Bank and its Governor have handled the Anglo tapes affair?

Deputy Brendan Howlin: The Deputy first raised the issue of mortgage arrears in the context of the discussion that took place yesterday between Professor Honohan and the Oireachtas Committee on Finance, Public Expenditure and Reform. Before I go on to the second question, I want to say that the issue of mortgage arrears is an absolute focus of Government because it is one of the deepest scars of the legacy of the collapse of the Celtic tiger. Many people are struggling desperately in mortgage arrears.

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Deputy Willie O’Dea: How much worse has it got in the past two years?

Deputy Brendan Howlin: Deputy O’Dea has a brass neck.

An Ceann Comhairle: Could we go through the Chair please?

Deputy Brendan Howlin: I will not be distracted because the issue of mortgage arrears is too important and central to the lives of too many people for Deputy O’Dea to be making silly comments about it. He should be ashamed of his part in it. The Government has put in place a comprehensive programme of action to assist mortgage holders. The Personal Insolvency Act was signed into law last December. The Insolvency Service of Ireland has begun taking applications from 9 September. The Central Bank has set targets requiring the main mortgage lenders to offer durable solutions and has launched a framework for a pilot approach. We can give a comprehensive focus on that because we are determined that this issue will be resolved and resolved it will be. It will take time and is very complex.

In respect of the question about bankers and the Anglo Irish Bank tapes, every member of this Government and every elected Member on this side of the House was as shocked and, bluntly, as nauseated listening to those tapes as the general public was. It was characteristic of the attitude that prevailed in banking at the time. I believe it has substantially changed but there needs to be an accounting. However, I will not say anything here that would lessen the prospect of people who have verged over the edge of criminality being held accountable before the courts. The prosecution services of this State, which are entirely independent of the Government, as is right, have been working assiduously gathering the information and we all expect that there will be a conclusion that will hold people to account.

Deputy Mary Lou McDonald: If that obnoxious, macho attitude was characteristic of the bankers and, let’s face it, the system including the political system of the time, it would also be fair to say that what is characteristic of the system today is a “Hear no evil, see no evil, speak no evil” approach to mortgage distress. The Government is happy that progress is being made and the Minister stands up and gives his answer by rote. I have heard it before from his colleague, the Tánaiste. The Governor of the Central Bank comes to the Oireachtas Joint Committee on Finance, Public Expenditure and Reform and surprise, surprise, he sings the same song. Meanwhile back in the real world, people are still under the most enormous stress and they do not see a willingness to act and for accountability on the part of the system. They do not see those within the banking sector being held to account.

I am not asking the Minister to make comments or draw conclusions in the Dáil or elsewhere around criminal culpability in anything. I am asking him whether, when the regulator of the banks has in his possession tapes pertaining to Anglo Irish Bank, some of them become public and it appears or there is even a suggestion that there has been a ruse to fool or even defraud the State, it is not appropriate for the regulator of the bank to make sure all of the tapes are listened and scrutinised to make absolutely sure that information and material is passed on to the relevant authority? I would have thought that this was the most basic requirement of somebody who would claim to be a regulator. I not asking the Minister to make a comment on criminal culpability because he should not do that. I am asking him on behalf on the Government to say in this Chamber that it is not appropriate for the Governor to sit on his hands, that the material in his possession must be examined fully and that the outcome and materials should be passed on to the Office of the Director of Corporate Enforcement and An Garda Síochána to allow them to draw any appropriate conclusions. Let us not add to the public distress created by the system

by yet again looking away from those who must be held accountable and punishing the people.

Deputy Brendan Howlin: The people of Ireland are hurting and are rightly angry. They want an accounting not some denunciation from the benches here. They want a real accounting. Those who committed criminal offences should be held to account under the law. We changed the law shortly after coming into Government to give additional powers to the prosecution authorities. I am confident that every shred of evidence they require - they are very competent people - will be available to them. They have the power to acquire it and I have every confidence that this is exactly what they have done.

I remind the Deputy that we operate courts of law under the Constitution - not courts martial. I know there are those who are more used to summary justice. We are interested in ensuring the slow, painstaking and difficult task of giving every assistance to the prosecution authorities to ensure that where there is any criminality, those people are held to account and that we do not do anything that would give any shield or comfort to people who may have committed a criminal act and allow them to escape accountability. That is what will happen under this Administration.

Deputy Clare Daly: The Minister is probably aware that yesterday there was a briefing in the House by the ESB group of unions. They represent 13,000 workers whose pension scheme is being unilaterally changed, from a defined benefit to a defined contribution scheme, along with serious funding problems whose cost is being transferred solely on to the shoulders of those workers. These people are about to join the tens of thousands of others - in the PTSB, the Irish aviation superannuation schemes, the Abbey Theatre, Waterford Glass, SR Technics, and so on, who face the prospect of being pauperised after a lifetime contributing to a pension scheme. Is it not clear that Irish society is now paying the price of an over-reliance on private pension schemes and the global capital market and that it is failing to provide for people in their latter years? There is a pensions timebomb in this country which has been ticking for some time, is getting louder and will explode. Is the Government going to stand idly by or is it going to do something about it?

The Government does not even have to struggle very hard in this regard because last week Social Justice Ireland came up with a proposal that would give it an answer to the situation and an opportunity to turn the existing policy on its head. This would start with the belief or fundamental principle that a retired citizen is entitled to the nation's gratitude and recognition of their consideration. A citizen is entitled, as of right, to a guaranteed income and standard of living upon retirement. The Minister has an opportunity to deliver this through the policy proposed by Social Justice Ireland, based on a universal pension scheme. SJI's proposal is to replace the present five or six schemes of contributory, non-contributory, widow's, etc., with a single scheme whereby a person who has reached the eligible age is entitled to a pension based on his or her residency. This would give security to all, allow people to plan for the future and get rid of the gaps that currently exist for many people, women in particular, who took time out to rear their children and in consequence have fewer contributions.

An Ceann Comhairle: Thank you.

Deputy Clare Daly: It would eliminate the contributory philosophy which puts value only on paid employment rather than on other kinds of contribution. The best thing is that it would not cost the Government anything but would save it money if it stood the present pension policy on its head and directed some of the massive tax concessions given to the wealthy into this

scheme.

An Ceann Comhairle: Thank you.

Deputy Clare Daly: Will the Minister end a pension system which is based on tax reliefs that subsidise the wealthy and ensure that a philosophy which ensures that a person who is poor in his or her working life will be poor in retirement is replaced with the idea of a guaranteed, decent pension for all, on retirement?

Deputy Finian McGrath: Hear, hear.

Deputy Brendan Howlin: The Deputy asked a series of questions and I will try to go through them as best I can. First, she prefaced her comments with reference to the ESB pension scheme. This scheme is sound; we should acknowledge that. Changes were introduced in the scheme last year, by agreement with the workers. The new funding standards that have been set for all pension schemes have been set by the regulator, with the objective of having security of funding for pensioners into the future. The application of that new funding regime is currently being examined. That is what is taking place within the ESB

I refer to the broader pensions issue. This is an issue on which not only Ireland but all developed countries are focused. The Deputy is right in that many private sector pension schemes have taken a massive hit because of the collapse of equity values. Many of those values are beginning to recover so there is greater robustness in respect of the values of those pension schemes. However, the criteria demanded by the pension regulators are being increased to ensure there is a solvent and sustainable fund into the future. There is no question of us standing idly by. The Minister for Social Protection, Deputy Joan Burton, has been very active in examining these matters and has contributed to many debates in this Chamber. I am sure the Deputy can pursue these issues with her.

In regard to the specific proposal made by Social Justice Ireland, I and the Minister for Finance, Deputy Michael Noonan, met that organisation last week. We have heard its comprehensive set of proposals on this and a range of other issues which, as is the case with all submissions, will be taken into account very carefully.

The Deputy spoke about tax benefits to private pension funds. As she knows, the Minister, Deputy Noonan, announced in last year's budget that we are ending tax benefits to any fund or any individual once a pension of €60,000 had accrued. That is a fundamental change and legislation to enact it will shortly be introduced.

Deputy Clare Daly: The Minister is correct that this is an international problem but he does not yet rule the world.

Deputy Finian McGrath: He is getting there.

Deputy Clare Daly: However, he is accountable for what goes on in this country. He has singularly failed to address the issue I posed to him, namely, the very real, costed proposal that has landed on his desk, which offers the prospect of raising living standards for retirees in this State while at the same time it saves the State money. This is an ideological question. I understand the Labour Party has lost much of its ideology but the bottom line here is that-----

Deputy Michael McCarthy: We threw the Deputy out.

Deputy Willie O’Dea: It lost its soul.

Deputy Clare Daly: -----we still have a society where billions of euro in tax relief is weighted to the wealthy, with 82% of such reliefs going to the top 20% and 56% going to the top 10% of income earners in this country. If the Minister stood that policy on its head, reduced the marginal rate of relief to the standard rate of 20%, reduced the earnings contribution cap to €75,000, or twice the average wage, and reduced the standard threshold of the fund, he could still save the State more money by introducing a universal scheme.

When the Minister departs office will the Labour Party have distinguished itself in any way from its blueshirt partners? When he was on these benches - his website still carries the sloganeering----

An Ceann Comhairle: You are over time, Deputy.

Deputy Finian McGrath: Do not get upset.

Deputy Clare Daly: -----in which he stated that the Pensions Board-----

(Interruptions).

Deputy Finian McGrath: Bernard is getting upset too.

Deputy Clare Daly: On his website, the Minister states that the last Government and the Pensions Board got it radically wrong, and that the Fianna Fáil Government of the time should immediately-----

An Ceann Comhairle: Deputy, you are over your time. Please put a question.

Deputy Clare Daly: Will the Minister continue to subsidise the wealthy or will he give decent rights for pensioners?

Deputy Patrick O’Donovan: How about the people who do not pay their tax?

Deputy Brendan Howlin: I have no views on ruling the world but I thought the Deputy opposite was a traditional Wobbly, uniting the workers of the world. From the years I spent listening to her on the administrative council of the Labour Party, I know her good Trot view of that. Unfortunately, being caught in the time warp of the Sixties is of no value to us in terms of interpreting the economic crisis we now have.

Let me give the Deputy some facts. In the most difficult of economic times we have maintained the old age pension rate. One may consider the rate of €230 and compare it to that of Northern Ireland or Britain. Look at the additional benefits we provide. By any objective analysis we have protected the elderly - rightly so - from the vagaries of the awful times we have gone through.

Deputy Michael McGrath: What about household and all the other benefits?

Deputy Patrick O’Donovan: Wait until they take the leader’s allowance away.

An Ceann Comhairle: We cannot hear.

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Deputy Brendan Howlin: In terms of pension provision, we could take the line the Deputy advocates, ensure that nobody puts any private money into a pension fund and have entire dependence on the State.

An Ceann Comhairle: Thank you.

Deputy Brendan Howlin: That is entirely unaffordable in the short term. What we are doing, for the first time, is putting a cap on the pension that can accrue with State support. I hoped, and would have thought, the Deputy might welcome that but of course she is always too busy attacking the Labour Party and the left rather than looking to attack the right and its views on what is happening.

Deputy Joe Higgins: The words “Labour Party” and “left” should not be used in the same sentence.

An Ceann Comhairle: If the House would settle down we could have the Order of Business.

Order of Business

Minister for Public Expenditure and Reform(Deputy Brendan Howlin): It is proposed to take No. 3, Fines (Payment and Recovery) Bill 2013 - Second Stage (resumed).

Deputy Dara Calleary: Short and sweet.

An Ceann Comhairle: There are no proposals to be put to the House. I call Deputy Calleary.

Deputy Dara Calleary: Is that Dáil reform? I refer to the consumer and competition Bill which has been listed for some time. There is a complex disagreement in Government between the Minister for Communications, Energy and Natural Resources, Deputy Pat Rabbitte, and the Minister for Jobs, Enterprise and Innovation, Deputy Richard Bruton, about who “owns” the Bill.

11 o'clock

The Minister, Deputy Bruton, seems to have won that argument and I know that Fine Gael seem very concerned about media mergers for some reason. When will the Bill be published? Why has the Cabinet decided that media mergers, given the importance of the issue, are not being dealt with through separate legislation, as opposed to being tagged on to the consumer and competition Bill?

Deputy Brendan Howlin: The Bill will be published this session.

Deputy Dara Calleary: So the argument was lost.

Deputy Mary Lou McDonald: In respect of the Government’s proposals for Dáil reform and longer sitting days, what consultation has taken place with staff of the Oireachtas, if any? My second question is about the briefing to which Deputy Daly referred from the ESB group of

unions. Is access to the audio-visual room to be shut down and taken from Deputies?

An Ceann Comhairle: That is not on the Order of Business.

Deputy Mary Lou McDonald: This is the Minister who is all about political reform and transparency.

An Ceann Comhairle: The audio-visual room has got nothing to do with the Order of Business.

Deputy Mary Lou McDonald: I find it astonishing that the Administration at any level would prevent representatives from a semi-State company coming in and setting out their stall on an issue of importance. If the Minister could clarify that for us, that would be great.

An Ceann Comhairle: We will not be clarifying anything about the audio-visual room on the Order of Business. It is as simple as that.

Deputy Brendan Howlin: To answer the question on Dáil reform, it is important that we arrive at a consensus as much as possible within the elected membership, and then the reforms and how they impact on the staff and the running of the House will obviously require negotiation subsequently.

Deputy Barry Cowen: Did the Minister meet anyone? He did not meet anyone. That is his answer.

Deputy John O'Mahony: Is there any progress on the customs Bill? Will it give greater power to the Customs and Excise to combat fuel laundering and cigarette smuggling? This is becoming epidemic and it is costing millions to the State and jobs to those who are paying their taxes and who are complying. The Bill will make the Minister's job a lot easier when he is drawing up budgets.

Deputy Brendan Howlin: Customs legislation will not be introduced until next year, but the issue of fuel laundering has been tackled already by the Minister for Finance, and he had something to say about it in last year's budget. I think he will have something further to say about it this year.

Deputy Dessie Ellis: A Bill is due before the House to provide for a new tenant purchase scheme for local authorities and for the repossession of local authority dwellings, as well as a new scheme of housing assistance payments. When is this housing (miscellaneous provisions) Bill due before the House? Section 62 of that Bill is very important for local authorities.

Deputy Brendan Howlin: The Taoiseach answered that question yesterday. It will be next year.

Deputy Terence Flanagan: Is it the Government's intention to introduce regulations penalising schools which do not allow parents purchase generic uniforms where they can iron the crest of the school onto the uniform itself? What is the timing for the introduction of such regulations? Under which Bill will the regulations be introduced?

Deputy Brendan Howlin: I have no knowledge at all of that matter, but I will ask the Minister for Education and Skills to respond.

Deputy Michael McGrath: When is the strategic investment fund to be put on a statutory

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footing? I think it comes under the NTMA (amendment) Bill. That initiative was first announced two years ago.

Deputy Brendan Howlin: The Minister for Finance has indicated that it is hoped the legislation will be introduced this year, but if the overarching NTMA legislation is not available, we will advance that element of it separately in order that we can have access to funding for the stimulus packages we have announced and further packages.

Deputy Mattie McGrath: In his reply to an earlier question, the Minister said that the people of Ireland were hurting. I want to raise an issue under the finance (no.2) Bill. It is about a family in County Cork.

An Ceann Comhairle: We will not be raising that in here.

Deputy Mattie McGrath: I have the sheriff's notice here that threatens to evict the family.

An Ceann Comhairle: This cannot be raised on the Order of Business.

Deputy Mattie McGrath: Under the conveyancing Act of 2009, the sheriff's powers were abandoned. I have the sheriff's eviction notice here in my hand. If that is the hurt the Labour Party feels, it is very sad.

An Ceann Comhairle: I call on Deputy Healy Rae.

Deputy Mattie McGrath: I want to ask-----

An Ceann Comhairle: We are not doing this on the Order of Business.

Deputy Mattie McGrath: It is on the Order of Business. The conveyancing Act of 2009 dismissed the power of the sheriff. How is the new sheriff in Cork - a newly appointed lady sheriff - intimidating families like this?

An Ceann Comhairle: Raise this under Topical Issues. This is not on the Order of Business.

Deputy Mattie McGrath: It is. I have the sheriff's notice here.

An Ceann Comhairle: I do not care what you have. Please resume your seat.

Deputy Mattie McGrath: These people are hurting from the powers allowed by this Government. The Labour Party-----

An Ceann Comhairle: Please do not abuse the right that people have on the Order of Business.

Deputy Mattie McGrath: This is an appalling situation.

An Ceann Comhairle: Sit down and find some other way to raise the issue. I call on Deputy Healy-Rae.

Deputy Michael Healy-Rae: There is chaos in our motor tax offices at the moment because of the changeover on 1 October for retrospective taxing of motor vehicles and machinery.

An Ceann Comhairle: What Bill are you talking about?

Deputy Michael Healy-Rae: I am talking about the road traffic (no. 3) Bill and I have already asked that this deadline be extended to 31 October. It would make an awful difference.

An Ceann Comhairle: Table a parliamentary question.

Deputy Brendan Howlin: The road traffic (no. 3) Bill will be next year.

Deputy Brendan Griffin: When will the criminal justice (miscellaneous provisions) Bill be brought forward? It is very important that this be done in order that we can provide for the post-release electronic tagging of sex offenders. It is much anticipated by people in this country.

Deputy Brendan Howlin: That Bill is expected in the first half of next year.

Deputy Frank Feighan: When is the pyrite levy Bill due to be published?

Deputy Brendan Howlin: That is a priority for the Government and the Taoiseach has indicated that it will be introduced this session.

Deputy Bernard J. Durkan: What is the current position on the Bill to provide free GP services? Have the heads of the Bill been agreed and is it ready for presentation? The lack of a legal aid Bill is causing some problems at the moment. Have the heads of that Bill been approved by the Government? When will the Bill come before the House? Is its urgency recognised? Finally, the EU directive on cybercrime has yet to be incorporated into Irish law. When will that happen?

Deputy Brendan Howlin: The health Bill will be introduced this session. We expect it to come before a Cabinet sub-committee within the next fortnight. Heads of the legal aid Bill have been approved by the Cabinet, but the Bill will not be published until next year. I have no date for the cybercrime Bill yet.

Deputy Willie O'Dea: When can we expect to see the water services Bill? Legislation is proposed to deal with the Central Bank, including the financial regulator. That is being put forward as a consolidating measure. Will the legislation contain any substantive measures to ensure the regulator will deal properly with any complaints of malfeasance by bankers?

Deputy Brendan Howlin: The water services Bill will be before the House in this session. The Central Bank Bill is not expected until next year, but since it is in gestation, perhaps suggestions the Deputy or the finance committee would like to make might be incorporated in the Bill.

Deputy Willie O'Dea: So it will not just be a consolidating Bill.

Deputy Brendan Howlin: I am not sure, but I am sure the Minister for Finance will have regard to any submissions the Deputy would like to make to the Bill.

Deputy Derek Keating: Is there legislation promised to address the serious issue of bonding of horses? This is a matter of considerable importance and is costing local authorities vast sums of money.

Deputy Brendan Howlin: The Animal Health and Welfare Act 2013 was enacted last year and it deals with that issue.

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Deputy Seán Kenny: The final chapter of the Mahon report was published during the summer recess. Is it proposed to bring that matter before the House for discussion?

Deputy Brendan Howlin: I will ask the Government Whip to find out and he will refer directly to the Deputy.

Deputy Ray Butler: When is publication of the family law Bill expected, which will make provision for pension adjustments in the context of separation agreements and certain reforms in family law?

Deputy Brendan Howlin: There is a huge list of Bills in the justice area. I do not have a date for that, but I suspect it will be next year.

Fines (Payment and Recovery) Bill 2013: Second Stage (Resumed)

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

An Ceann Comhairle: Deputy Harrington was in possession, but he has shared time with Deputy Feighan.

Deputy Frank Feighan: I thank the Minister and welcome this Bill, which was published on 19 July. The Bill has six parts and comprises 23 sections, running to 26 pages. Speaking as a private citizen and a politician, it is embarrassing that people resign themselves to doing jail terms rather than pay fines. While that is their right, it places significant pressure on the system, clogging it up. This is not a good use of Garda and prison officer resources. There must be a better way than going to jail for the non-payment of fines. Through this Bill, the Minister is ensuring such a better, easier way.

Everyone who is fined will be able to opt to pay it through instalments over 12 months. Sometimes, people go to jail because of fines of €50 to €100. Instalments would provide an alternative to people who are hard pressed financially. This would be welcome.

Where a person fails to pay a fine, the court will make an attachment or recovery order. Where neither is possible, the court may make a community service order. What happened to community service? I have never called for putting people on display in the stocks as once seen in UK villages, for example, but community service was a deterrent. Approximately 20 or 25 years ago, people who misbehaved or who got into trouble with the law were required to paint signs or tidy up local estates. It was a win-win for both sides. Twenty years ago, long before I was in politics, a young man who has since grown up and got married told me that community service was effective. He used to be seen in his community as someone who had misbehaved or erred on the wrong side of the law. Did we become a nanny state? Did we interfere with some element of the law? Community service used to be effective.

It is important that the Bill provides for the sharing of data between the Revenue Commissioners, the Department of Social Protection and the Courts Service. For too long, Revenue worked in its own domain, as did the Department and the Courts Service. The past two and a half years have seen significant co-operation between those departments. The Bill tackles the problem of the number of people multi-claiming social welfare payments fraudulently. This is

welcome.

I have had cause to visit my local prison in Castlerea numerous times. It is a state-of-the-art, drug-free prison. The hour one leaves prison is the hour one decides never to end up there. Hopefully, I never will. The prison is doing great work. There is considerable co-operation between the prisoners and the Prison Service in devising innovative ways of dealing with a difficult situation. I pay tribute to the Minister, the Courts Service and the prisoners, who erred on the wrong side of the law.

When someone decides to go to jail instead of paying a fine, it can be embarrassing. I do not mean politically. It is not the right approach. The Bill provides for an alternative for people. The 8,300 people who were jailed by judges last year for the non-payment of fines is 8,300 too many. The Minister has been innovative. All sides should welcome the Bill as I have done.

Deputy John Browne: I welcome the opportunity to contribute on this Bill, which I support in general despite my reservations about a number of points made by the Minister yesterday.

The current system does not work. Many hours of Garda time are spent serving warrants and collecting fines. The Minister stated that there had been little change in how fines were collected since the foundation of the State. Like me, the Ceann Comhairle has been a Member for a long time. Hardship and medical grounds used to be taken into account when fines were imposed. Whoever was the Minister for justice at the time had the right to reduce those fines, but that power was done away with a number of years ago after it was found in court to be unlawful. More often than not, many Ministers for justice, working in conjunction with departmental officials, reduced fines to manageable proportions when people made cases to them on medical or hardship grounds.

Judges serve fines on people without taking into account their ability to pay. Many people have attended my clinic because judges fined them €500 or €1,000 for having car tax that was two or three months out of date or for not paying their television licence fees. The judges who did this well knew that the people in question never had the ability to pay that kind of money out of, for example, their unemployment social welfare payments. This legislation introduced by the then Minister, Mr. Dermot Ahern, goes some way towards dealing with that issue.

No person should need to go to prison for a fine that relates to a television licence or lower level misdemeanours. Smuggling cigarettes or tobacco and laundering oil and diesel are different issues, but community service is the way forward in respect of lower level fines. Once the justice system implements a fine or orders community work, the ensuing administration should be performed within the local authority system. Gardaí spend too much time trying to serve warrants and collect moneys. More often than not they get a million and one excuses, so they must repeatedly re-serve the warrant. In many cases, if people do not pay fines, they are taken off to Wheatfield, Mountjoy, Castlerea or elsewhere. Usually, two gardaí in a garda car or a taxi will accompany a person to prison. However, within 24 hours, or in many cases within a few hours, the prison governor will release the person. Meanwhile, the gardaí have returned home so the governor provides the released person with a bus or train voucher to go home. The current system is wasting taxpayers' money.

For that reason, rather than imposing a fine that a person cannot pay, community service would enable such people to pay back their debt to society. Such a provision is included in this Bill. The people involved could thereby work in a local GAA or rugby club, or with local

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authorities which operate social and community employment schemes throughout the country.

The Minister should clearly state that he does not want fines imposed on people for such matters, although ultimately that is a matter for the Judiciary whose members are independent of the Executive. None the less, the message should go out loud and clear that it is better to impose community service orders rather than fines, which some people do not have a hope in hell of paying.

I have serious concerns about attachment of earnings orders whereby fines are deducted directly from wages. The Minister says that will be a last resort but perhaps he will clarify in his reply to this debate where the Data Protection Act comes into this. If an employer receives a letter from the Courts Service or the Revenue Commissioners instructing him or her to stop €200 out of a person's wages over the next three, six or 12 months, it may damage the employee's standing with an employer. The Minister should clarify how he expects that system to operate because it would have a damaging effect on the employer-employee relationship. How can such a system get around the provisions of the Data Protection Act? Currently, even within this House, we are all subject to data protection legislation, and rightly so. None the less I have serious concerns about that particular issue.

The Minister stated that approximately 7,500 people are imprisoned annually for non-payment of fines. That is a substantial number with a consequent cost to the State, including garda manpower and the cost of transporting people to and from prison. Imprisonment for non-payment of fines should be a last resort. In addition, it is also causing overcrowding in prisons for minor misdemeanours. It is certainly not in the taxpayers' interests to lock up people for an hour or two just because they have not paid a television licence fee or car tax for a few months.

While I welcome the Bill generally, I feel the attachment of earnings order is a dangerous road to take. The administration of such a system will be hampered by the abolition of town councils. We will have super county councils throughout the country which will have rate, rent and revenue collectors. Instead of wasting Garda manpower, the collection of fines should be handed over to local authorities. Alternatively, community service orders could also be operated by local councils at the direction of a judge.

I had a great regard for the old system which was operated fairly and meaningfully by previous Ministers for Justice. At that time, if someone was not in a position to make a payment, the Minister of the day, in conjunction with his or her officials, would decide on compassionate grounds to reduce the fine or in some cases write it off. We have become so self-righteous over the years that people did not like that system. They felt that Ministers were abusing the system, although I certainly never found that to be the case. We have moved on, however, and are now dealing with this legislation.

While I hope the Bill will be passed as quickly as possible, I would ask the Minister to re-examine the attachment of earnings orders which will do serious damage to employer-employee relations. It could, in effect, cause a person to lose out on promotion or lose his or her job. I hope the Minister will take into account some of the reservations that have been raised during this Second Stage debate.

An Leas-Cheann Comhairle: I call Deputy Seán Kenny who is sharing time with Deputy Michelle Mulherin and Deputy Derek Keating. Is that agreed? Agreed.

Deputy Seán Kenny: This Bill represents a major reform of the system that governs fines

payment and recovery in Ireland, and provides for the payment of fines by instalment and attachment of earnings. The Government is committed to ensuring court decisions are respected and complied with. The Government is also committed to keeping the number of people committed to prison for non-payment of fines to an absolute minimum, and I fully support that approach.

I believe that prison is for people who represent a danger to society, such as those who commit violent acts or who pose harm to society, such as those who commit white collar criminal offences. I do not believe that people who have failed to pay a fine in respect of a dog licence or television licence fall into either of those categories, especially during a time of financial hardship for many.

When I was previously a Member of this House between 1992 and 1997, there was a practice whereby Deputies could petition the Minister for Justice on behalf of a constituent who had incurred a fine and was in financial hardship. The previous speaker also referred to this practice. I recall getting many such requests at that time but, thankfully, that practice has ended as it was found to be unlawful.

Allowing everyone to pay a fine by instalment and introducing attachment of earnings are important new reforms to the fine collection system which will lead to improved collection rates. Last year, some 8,300 people were sent to prison for the non-payment of fines. Those people comprised the vast majority of those sentenced to short sentences by our courts and committed to prison in 2012. The new measures provided for in the Fines (Payment and Recovery) Bill 2013, combined with the requirement that judges must take a person's financial circumstances into account when setting a fine, should result in a reduction in the number of people committed to prison, with all the benefits to society that will follow from that.

This Bill would make it easier for people to pay a fine and, where they fail to do so, there will be sufficient alternatives available to the courts to all but eliminate the need to commit anyone to prison for the non-payment of fines. Every person on whom a fine is imposed will be able to opt to pay the fine by instalments over 12 months.

Where a person fails to pay a fine in full, including by instalments, he or she will be required to return to court and, depending on their circumstances, the court will either make an attachment of earnings order directing the person's employer to deduct the fine from the person's earnings, a recovery order appointing a receiver to recover assets to the value of the fine, or a community service order. I hope attachment of earnings orders will be used as a last resort. Community service is a far better alternative to imprisonment in such cases.

The introduction of attachment of earnings orders for unpaid fines is a commitment in the programme for Government. Such orders are likely to be applied in most cases where a fine defaulter is in employment or in receipt of an occupational pension.

The Bill also contains a number of administrative changes that will improve the courts' capacity to ensure fines are paid. I understand that work is ongoing on developing the Courts Service IT infrastructure to enable the legislation to be workable by early next year.

Deputy Michelle Mulherin: When people consider the practicalities of our legal system and the way in which prisons are used, what irks them most is a person being sent to prison for non-payment of a fine when more serious offenders are not because of the capacity of our prisons to accommodate them. The Minister is to be commended in respect of much of the leg-

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islation he has introduced, in particular legislation which addresses issues which for many years needed to be addressed and have been talked about in that way. He has brought about good, positive and practical reform in terms of the manner in which our criminal justice system works.

It is important to recap on the reason it is important that people are pursued in respect of the payment of fines. Currently, 30% of fine payments are uncollected. Fines are imposed on persons convicted of offences, be they minor or more significant. Often, they are imposed in respect of the non-payment of a television licence or a failure to file tax returns and so on. Law abiding citizens who pay their dues are often out of pocket having done so. A person who does not comply with the law while others have done so, often, as I stated, at personal cost to them, is guilty of committing an offence. If the administration of justice is to be meaningful there must be repercussions for people who commit crimes be they misdemeanours or of a more serious nature.

This is practical legislation in that it provides options in relation to the payment of fines. For example, those people not in a position to pay in full upfront can opt to pay their fines by way of instalment over 12 months. Other options include an attachment order on earnings, a recovery order whereby assets can be seized and liquidated to pay the fine and a community service order. It is of greater benefit to communities to have persons convicted and fined and who fail to pay those fines carry out work in their areas rather than take up places in our prisons, which in itself is a bit of a comedy in terms of their often being committed to and released from prison within hours. This does not achieve the objective of people paying their fines and dues to society.

I welcome the Bill and all of the reforms introduced in this area by the Minister, Deputy Shatter, which will hold our justice system in good stead.

Deputy Derek Keating: I welcome the opportunity to speak on this important legislation and commend the Minister, Deputy Shatter, on its introduction. I concur with many of the points made by previous contributors from both sides of the House in relation to the imprisonment of a person for the non-payment of a fine. It is extraordinarily positive that we are introducing, as part of the modernising of our courts, a system which ensures the payment of fines. It is imperative fines imposed on people found guilty in court of having committed an offence are collected in an efficient and appropriate manner.

The Bill defines a fine as a monetary penalty payable on conviction, depending on the offence. I note from the information received from the Oireachtas Library that compliance in this regard stands at 82%. This means 18% of those on whom a fine is imposed by the courts are not paying. It is disturbing to read from time to time in the media of the judicial discretion exercised by judges. One has only to visit the District Court to see how on a daily basis the system is being abused by those who break the law, be it in respect of a traffic or litter offence or breach of the peace. They often entertain the court in order to obtain a minimum fine which, I suspect, in many cases is not paid.

While I support judges having the discretion to take into account an offender's personal income, including their belongings, personal property and financial commitments to their families or otherwise, I welcome section 6 which promotes the option of the payment of fines by way of instalment. Section 7 deals with failure to pay fines. I am fearful that this will be abused by a small but significant number of people who, given how often they appear before the courts, know the system. If there is one section of the Bill that may require strengthening it is section

3 which deals with recovery orders.

I welcome that a sheriff can be appointed by the courts as a consequence of failure to pay. However, the appointment of a sheriff is a significant step which could be cumbersome and, perhaps, expensive for the State. I welcome sections 14 and 15 which deal with attachment orders. The reality is that it is more expensive now to keep offenders in prison than it is to impose fines on them. There is evidence to indicate that this is being abused. A person can be arrested by a garda in respect of the non-payment of a fine, brought to prison, processed and released within hours. The fine is then written off and the sentence is deemed to have been served, with the offender going on his or her merry way.

I agree with the Law Reform Commission that fines need to be index linked to inflation and that they should vary to take account of the offender's ability to pay. A person who fails to pay a small fine imposed by a District Court in respect of a minor offence should only be imprisoned as a last resort. I agree with the Minister that this legislation will all but eliminate the need to commit people to prison for non-payment of fines. There are many ways to deal with this issue other than the costly and unsuitable procedure of committing a person to prison, which person, very often, will be in and out within hours because of the cost and pressure on prisons and the standard of improvements which the Minister has demanded of the prison services in relation to facilities for those who are serving medium to long term sentences. The reality is that while a fine in respect of the offence of speeding imposed on one person with a large family who is unemployed and dependent on social welfare will have a huge impact on that person and his or her family and its weekly income, a similar fine on a person who is wealthy and has no difficulty writing a cheque to the District Court has no impact. There is much to be learned from this. We need to provide for a scaling of fines relating to a person's wealth.

I agree with the sentiment that justice should not only be done but should be seen to be done.

An Leas-Cheann Comhairle: The next speaking slot is being shared by Deputies Michael Healy-Rae, Finian McGrath, Seamus Healy and Mattie McGrath.

Deputy Michael Healy-Rae: I thank the Technical Group for allowing me some of its speaking time and, in particular, Deputy Finian McGrath for allowing me to speak before him.

I welcome the introduction of this Bill. It is about time changes were made to the mechanism for the collection of fines. The current system is ridiculous and nonsensical. We have all witnessed the situation of people the length and breadth of the country, having been committed to prison, taken there at great expense to the Garda Síochána, processed and released an hour later, which was farcical. It is crazy and beyond belief that this was allowed to continue until now. I welcome the provisions of this Bill which will put a stop to that nonsensical process. On the recovery of fines, I agree with previous speakers that ability to pay must be taken into account. The credit union network recently published a survey on disposable income, which found that the majority of families, in particular young families, do not have sufficient income to engage in discretionary spending. A fine of €50 or €100, which some people may find small, could place undue hardship on a young family struggling in the current economic circumstances. For this reason, fines should be graded according to the offender's ability to pay, which would mean that the same crime would not always attract the same fine. The level of a fine should depend on individual circumstances and ability to pay and people should have an opportunity to outline their personal circumstances to the court, without recourse to a solicitor. This would allow judges to ensure defendants are able to pay the fine they impose. Provision

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for staged payments is also a most welcome development.

I tabled a parliamentary question this week on debt recovery, an issue that has concerned me for some time. There have been horrific cases involving people who would I describe as guns for hire being sent out by leasing companies and lending institutions to recover debts and engaging in ruthless and thuggish behaviour. As I have stated previously, it is not a shame for a person to be in debt to a lending institution. People who owe money are entitled to be shown respect. A person may have borrowed money in the belief that the debt was manageable. When things go wrong such people should not be looked down on or treated as second class citizens but shown respect and treated with dignity at all times. I feel very strongly about this matter.

Some of those engaged in debt recovery have assaulted debtors and used the cover of darkness to enter farmers' yards and premises to retrieve machinery and goods. Such despicable and thuggish behaviour should not be tolerated in a modern society. There is no place for it and it should be outlawed. I thank the Technical Group again for sharing time.

Deputy Finian McGrath: I welcome the opportunity to speak to this new Bill. I support the legislation, as I support all reforms that will help make the justice system fairer and more accountable and transparent. Many citizens believe the system is unfair and I agree with them in many cases. As a member of the Joint Committee on Justice, Defence and Equality, I seek to ensure the justice system is fair and transparent for all citizens. People want reform introduced now.

From the point of view of human justice and costs to the State, it is not necessary to imprison non-violent and petty offenders. There appears to be one law for the rich and powerful and another for the rest of us, as was exposed in the recent penalty points scandal. The hypocrisy evident in this regard is unacceptable. I am sick and tired of some influential people getting off, while the rest of us must pay fines and have penalty points applied to our licences. The vast majority of people believe this type of carry-on is not acceptable in a democratic society and has no place in a justice system that claims to be fair.

I receive five or six telephone calls every week from victims of our justice system who have been treated badly. I urge real action and reform of the justice system.

To return to the legislation and events in the real world, in 2012 there were 8,304 committals to prison for fines default, including 1,687 female committals. This practice imposes great strain on the prison system and generates significant costs for taxpayers, families and communities. That more than 85% of people imprisoned for fines default return to prison within four years demonstrates how damaging and ineffective is the practice of imprisoning people for fines default. I support the legislation for this reason.

The Bill proposes to amend the fines system and complete the process commenced with the Fines Act of 2010, which created a modern, standardised system in which all fines fall into five distinct classes that should be easily adjustable over time. It is also designed to provide a more flexible system for the payment and recovery of fines. The Fines Act 2010 has not been completely commenced and all uncommenced sections relate to the payment and recovery of fines. If a person fails to pay a fine within one year, options can be forced upon him or her by a court but only where he or she has been summoned to a court meeting to determine the appropriate court action. The options to be considered are a recovery order, an attachment order or a community service order. If effective, the Bill should generally reduce the number of persons

imprisoned for the non-payment of fines, cut associated costs to the State and increase State revenue through greater collection rates for fines.

The justice system has made major mistakes in certain crime cases. In what became known as the “garlic man” case, Mr. Paul Begley was sentenced to six years in prison, despite paying taxes owed and a fine arising from non-payment of VAT. Many people sensibly asked what was going on in the case as a community service order would have been more appropriate than a prison sentence, particularly as the sum owed was repaid to Revenue. Mr. Begley was eventually released from prison following considerable lobbying. His six year sentence resulted in a significant waste of resources.

It is scandalous that people who have committed rape, murder and other extremely violent crimes have been given similar sentences of between six and eight years. In the case of a journalist who was killed on his way home from a pub an individual was sentenced to a couple of years in prison. People are regularly stabbed and their attackers get away with all sorts of light sentences, while many of those charged with violent crimes are released on bail.

This Bill deals with petty crimes. I accept that letting people off lightly with any crime does not do society any favours. This is important legislation and I hope many of its reforms will be implemented.

Deputy Seamus Healy: I welcome this debate. Every year, a significant number of people end up in prison as a result of fines default. I understand that in 2012 more than 8,000 people, including almost 1,700 females, were committed to prison for fines default. This practice creates significant costs for the taxpayer and places considerable strain on the prison system. It also creates difficulties for families, family life and communities. Probably the most disturbing element is that 80% or more of people who go to prison for fine default end up back in prison in the following four years. It indicates that the system of imprisoning people for fines default is counterproductive in every way. It is damaging and ineffective. People find themselves in what is effectively a university of crime and consequently find themselves back in prison within four years.

Much of the comment on the Bill relates to the payment of fines by instalment. However, the first option for judges in these cases should be community service orders, which would ensure there is a punishment and also that the community and the individual would benefit from the situation that has arisen. That should be the first option and every effort should be made to ensure that community service orders are handed down rather than fines, attachment orders or imprisonment.

Up to now many people end up in prison for a period of time. Some people are taken to prison by public transport or Garda transport and with an hour or two are taken back home on public transport. Obviously it is a system that is not working, and is costly, ineffective and damaging.

An Leas-Cheann Comhairle: The Deputy has one minute remaining.

Deputy Seamus Healy: I welcome the provision to allow for payments of fines by instalment. I would prefer a longer period to do so - 24 months rather than 12 months. It should also allow for the payment of fines of up to €100 by instalment because for many people €100 is a significant amount of money. Credit union surveys have shown that people have very little, if any, excess income. I believe all fines should be allowed to be paid by instalment.

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Eviction is a very difficult and emotive issue. A family in Kanturk faces eviction by banks and their bondholders whom we have bailed out. These are people who have done their best to meet their responsibilities and through no fault of their own they found themselves in very severe financial difficulties.

An Leas-Cheann Comhairle: I want to call the Deputy's colleague.

Deputy Seamus Healy: I will finish with this. The banks should be forced to make reasonable agreements with the vast majority of people who having made their best effort find themselves unable to repay their mortgages.

Deputy Mattie McGrath: I thank the Leas-Cheann Comhairle for facilitating my change of speaking time. I am pleased to be able to speak on the Bill today. We all know the criminal justice system and the court system need reform in this area. A referendum will be held shortly and sadly most people do not have a clue what it is about. The effect will be merely to insert another layer of judicial appointments between courts and will keep the barristers busier - no barrister will come out to oppose that.

The fines area needs to be addressed sensibly and sensitively. I welcome the provision for fines to be paid by instalment. While it probably will not happen, I hope we will see an end to the system of gardaí serving warrants and picking up individuals. We have heard some of them on radio shows this year - nonsensical parking fines and silly things that should be dealt with administratively on the ground. Community service should be an alternative and a first step rather than going through the process. On occasions people may not even know about it and next thing there is a fine. In a recent case a person paid a few euro more than the fine amount by mistake. The cheque was sent back rather than cashing it and putting the extra amount into the poor box. He was then served with a summons, arrested, brought to a prison where he was inducted, fed, watered and given pocket money to come home. The Minister of State sitting opposite knows it is a farce and it must be dealt with. The sooner the legal situation is taken on the better.

I raised the Kanturk case on the Order of Business this morning. I have a copy of the sheriff's order which was printed on 9 September advising the people that an order for possession had been lodged with the sheriff on behalf of the plaintiff, the bank, and that she would carry out the execution of that order seven days after the date of the letter. It was signed by a brand new sheriff, who appeared on a radio programme recently saying how genuine she would be and how she would understand the families and would not hurt them. We are acting on behalf of rogue banks that will not allow these people to pay. The sheriff's staff arrived on the scene yesterday. We have all the powers of the State working for these banks. The Government has changed the legislation - we voted twice in the last session - to allow banks to repossess homes.

Section 133 of the Land and Conveyancing Law Reform Act states, "The power of the sheriff, or of other persons entitled to exercise the sheriff's powers, to seize a tenancy under a writ of *feri facias* or other process of execution is abolished". I am not good at Latin - the last time I spoke Latin was while serving Mass - but people know what that Latin term means. How can a sheriff be outside a house intimidating a family if that was abolished in an Act? Are we paying any heed to the Acts that are passed here? We are doing so for the little people - we persecute them and lock them up. However, for the banks we let them do what they like. It is law for one and no law for the others. We need to bring back Ned Kelly or someone like him. In case people might not understand *feri facias*, it is a writ of execution authorising a sheriff to lay a

claim to and seize goods and chattels of a debtor to fulfil a judgment against the debtor. As it has been delayed by good people and court threat, all that will happen is that the sheriff and her agents will be paid - and well paid.

The receivers represent the biggest industry in the country. We are passing laws and empowering them to terrorise people. Another auction will take place - now that they have found a home for it in the RDS. We are allowing these gangsters, mobsters to run riot here and are passing laws that are actually empowering them. This Bill is not worth the paper it is written on because it empowers the big people rather than dealing with things sensibly. However, the legal profession might be upset if we took away some of their income. It is all law and no justice.

The referendum the Government is backing is another farce because it is just putting in another layer. No barrister has come out against it. I heard one of them this morning debating with the Minister for Justice and Equality who said he was partly opposed it. He is not against it because it sets up whole tier of the Judiciary and we know who will be appointed - the card-carrying members of Fine Gael and Labour, just as happened with the previous Government. This Government promised change but there is no change. Those appointed will have to be friends of the Taoiseach or Minister for Justice and Equality as we saw with recent appointments.

Deputy David Stanton: A Leas-Cheann Comhairle, will the Member give way for a question?

An Leas-Cheann Comhairle: Sorry, Deputy-----

Deputy Mattie McGrath: That is what is happening. It has happened here in recent times and it is public knowledge.

An Leas-Cheann Comhairle: The time is up and Deputy Stanton is the next speaker.

Deputy David Stanton: It would be useful of the Member opposite would stick to the Bill we are discussing rather than going off on all kinds of other tangents.

Deputy Mattie McGrath: The truth hurts.

Deputy David Stanton: The Bill repeals and replaces Part 3 of the Fines Act 2010. It is progressive legislation, which I fully welcome. I hope the Bill will be enacted by the end of the year and operational by 2014. Its purpose is to keep the number of people committed to prison for the non-payment of fines to an absolute minimum. We want to have fewer people in our prisons.

12 o'clock

This is in line with several recommendations that have been made, including the report on penal reform published last March by the Joint Committee on Justice, Defence and Equality. I have the honour of chairing the committee, which has made several recommendations on reducing prison numbers: commuting prison sentences to less than six months; increasing the standard remission from one quarter to one third; introducing an incentivised remission scheme; introducing legislation to provide for structured release, temporary release, parole and community return - I understand community return is working quite well; addressing prison conditions, and so on. The thrust is to consider what is happening in other countries, including some states in America and especially in Finland, which has reduced the numbers in prison substantially from 4,000 to 3,000. Crime has fallen there as a result. There are other ways of doing this.

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I have met gardaí who have put it to me that it is very frustrating for them to commit someone to prison only to find that the prisoner is home before they are. This is happening time out of number. The Bill serves to address this problem. I call on the Minister to address an issue that was reported about in the newspapers this morning. An allegation was made that 649,509 summonses were not served between 2009 and 2012. That amounts to 39% of 1.7 million summonses issued by the Courts Service during that period. This is an important issue and we need to get to the bottom of it. Is that true and, if so, why is it happening? Is it the case that gardaí are so disillusioned with the current system that they do not bother to issue summonses because it is a waste of time and because prisoners can be home before the gardaí in some instances? I am not blaming anyone - certainly not the gardaí or the prison governors, because they can only take in so many people. It is simply that the system up to now has been wrong and we are now trying to change it.

The last time I spoke on this issue I referred to the community court system in New York. I have a sense that we are moving in that direction. The community court system in New York has been in place for several years now and is successful. The way it works is simple. People are arrested for misdemeanours or low-level offences. Provided they plead guilty, the following day at the latest they appear before a specially trained judge or justice in a community court. They can get a prison sentence, but in the main they get community service from the judge. They must report immediately upon receipt of the sentence to a probation service. An assessment is carried out and they begin community service straight away - that day, if possible. It may be for one or two weeks and if they are working or in college they can do it at weekends. In addition, their behaviour is monitored for six months and if at the end of the six-month period they do not re-offend, their files are sealed. I am told that recidivism over there has gone from 80% to 18%.

I visited New York last spring and I sat on the bench with a community court judge and watched the system in action. I met the people working behind the scenes and I was highly impressed with the system. The Fines (Payment and Recovery) Bill 2013 is moving in that direction because it emphasises community service and working in the community, and the Minister is to be commended on this progress. In the United States the type of work done by people on community service is worth a great deal to the communities and voluntary organisations, NGOs and so on. However, the fact that they are monitored and kept in touch with by the court and that the judge receives a periodic report on their behaviour adds to the value.

The Joint Sub-Committee on Penal Reform went through this report and the Department has a related working group in place at the moment. As part of the work we met several agencies that are doing interesting work in the area. The Etruscan Life Training & Education Centre is well worth seeing. The staff there deal with anger management and people who are addicted to drugs and alcohol and they try to get these people to change their lives. They have been quite successful. PACE deals with people who come out of prison and those working there try to ensure that they do not go back in. Care After Prison was established quite recently in the Carmelite Community Centre on Aungier Street and it has a 100% success rate in ensuring people do not return to prison in the Dublin area, a fantastic achievement that improves the quality of life of everyone. The Parole Board is doing fantastic work. A group that has interested me greatly is the Cornmarket Project in Wexford. I almost accused those involved of keeping it a State secret. I visited the project and saw what they were doing. They are dealing with people who have great difficulties in their lives and who are from the tough end of it. I understand they have a 63% success rate. There are other ways of helping people to stay out of prison, and we

should be taking those into consideration.

I agree with some of the comments made earlier by my colleagues across the floor. Perhaps we should be putting more emphasis on community service. The joint committee will be examining the area of community courts later this year and I hope the Minister and staff from the Department of Justice and Equality get involved in examining the model because it has been quite successful.

An issue arises in respect of section 15, which deals with attachment orders. It appears to apply only to persons in employment or receiving an occupational pension. I will stand corrected, but I understand that fines will not be deducted from social welfare payments. The Department maintains this is not a valid option due to the cost of administration and because social welfare rules mean that only approximately €2 per week can be deducted. However, on a regular basis the Department of Social Protection deducts overpayments of social welfare when they arise.

I believe that a fine should be paid or else a community service order should be implemented - one or the other. If someone is not in a position to pay a fine, he should do community service. There should be no out simply because someone is on social welfare, and this should be made clear somewhere in the legislation. Even if it is only €2 per week, eventually over a year a person would pay back €100. Everyone should pay the fine. Allowing people to pay a fine by instalment and introducing attachments on earnings are new and important reforms to the fines collection system and should lead to an improved collection rate for fines. Ultimately, we will end up with fewer people engaging with the prison system, and that is important as well.

Mention was made earlier of white-collar crime. Section 5 relates to taking into account a person's ability to pay a fine when setting the level of that fine, and that is welcome. The Law Reform Commission recommends indexing against inflation, which is important. I understand that in some jurisdictions - particularly in Finland - if a wealthy person comes before the court, the court takes into account the nature of the person's income and fines are adjusted in accordance with the income. This means a person cannot be seen to buy his way out of a situation, and it will not be merely a fleabite in that it makes no difference to someone who is well off. Perhaps we should consider a system whereby if someone who is well off offends, the fines are adjusted in order that the person actually feels the pain to the same extent as someone at the lower end of the income spectrum and such that the wealthy person does not get off the hook by paying a fine that does not really matter because it is only small change. Section 5 relates to taking into account a person's ability to pay a fine. The thinking is that if someone has a low income the fine would be adjusted down, but perhaps we should consider providing for a situation whereby if someone has a high income the fine could be adjusted up.

I welcome the Law Reform Commission's fourth programme, presented yesterday to the Oireachtas joint committee. It was an interesting presentation. One area the commission is examining is that of white-collar and corporate crime. This is to be welcomed because we need to start examining it. Sometimes when well-off people break the law, a fine does not mean anything to them.

What does community service mean and how does it work? This is something I would like to see a report on soon.

My information is that it is extremely positive for everyone, works well and provides much

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work in the community and for NGOs and so on that is highly valuable. It would be useful to ascertain what is the financial benefit of community service per annum to the community in which it takes place.

The sharing of information between the Revenue Commissioners, the Department of Social Protection and the Courts Service that is provided for in section 23 will ensure that all recovery and attachment orders are accurate and are executed correctly. It also will allow for information on welfare payments, tax payments and overall revenue to be shared with the courts and will ensure all the information is accurate. This is quite important and will prevent misstatements of income and total value to reduce fines levied or cost of instalments and so on. I understand the instalment option will not apply to fines of less than €100 and some agencies, including the Irish Penal Reform Trust, consider even €100 to be a significant amount of money for some families in the current economic climate. The trust recommends that the amount below which a fine cannot be paid by instalment should be removed and it might be useful to consider this point on Committee Stage.

I refer to the appointment of sheriffs and so on and note some colleagues have mentioned a matter that has come to all Members' attention, namely, the tactics used by some debt recovery agencies. I have concerns about some of the tactics that have been reported and believe guidelines are required to ensure such agencies do not break the law or cause undue stress to people who already are stressed and that the so-called "bully boy" tactics mentioned do not occur. I appreciate there are two sides to every coin, that in some instances, people have refused to engage at any level and that this is the last resort. However, it should be the last resort and the tactics used and behaviour of such agencies must be investigated. Greater clarity is required regarding the setting of a proportion of the receiver's fees where property is seized. According to the Irish Penal Form Trust, consideration should be given to the setting of a maximum level or a proportion of a receiver's fees where property is seized and this issue may require further debate.

I reiterate my welcome for the Bill. In this context, I wish to encourage a debate on what one might call problem-solving courts, as considerably more responsibility will be placed on judges, which I welcome, to examine the lives of those who appear before them to ascertain what is the best solution. If one takes as an example the community court model in New York, this is moving into the area of problem-solving courts. Much work has been done in New York in this regard and only yesterday, the authorities there established what they call a trafficking court to deal with and specialise in human trafficking and the victims of human trafficking. I note reports this morning that the Council of Europe has expressed concern on the level of trafficking in Ireland, especially into prostitution, and perhaps we should find out how the trafficking court in New York operates. While I am straying a little from the point, this relates to the area of specialised courts. There has been criticism of such courts on the basis that they may become somewhat isolated and that they must keep in touch with developments which are in law outside of their own specialism. However, if people are aware of that need, that also can be done. I commend the Bill the House, am pleased by its introduction and look forward to its operation. Before I conclude, there was an issue about the putting in place of the proper software and computer systems to allow all this to happen. In his summing up, the Minister of State might refer to that and clarify for Members what precisely is the position regarding the software that was needed, what is its present status, whether it is in place now and is working under the current legislation as it stands or whether more time or investment is required to get it in place.

An Leas-Cheann Comhairle: I call on Deputy Pringle, who I understand to be sharing time with Deputy Boyd Barrett.

Deputy Thomas Pringle: Yes, I believe so. I will be taking no more than ten minutes anyway.

I welcome the opportunity to contribute to the debate today on the Fines (Payment and Recovery) Bill 2013. When one considers that more than 8,500 people were incarcerated last year for non-payment of fines, the general purpose of this Bill must be welcomed because a situation in which so many people end up in jail for non-payment of fines is untenable and should not be allowed to continue. I believe this Bill will contribute to removing this practice from society, which is important. I have some concerns regarding the Bill itself and some of its provisions. It is interesting that many of the provisions in the Fines Act 2010 on the recovery of fines have not yet been implemented. Consequently, this Bill is not really based on a need to change legislation that already is in place because while the legislation has been passed by the Houses of the Oireachtas, it has not been implemented and this is not a good way to operate a fines recovery system across the State.

The Bill itself provides for attachment orders to be placed on the wages of those who have been fined and for it to be paid in instalments. While a number of Members already have raised this important point, the period for the payment of the instalments differs under this Bill from the provisions in the Act of 2010. Under the proposed legislation, the period is for 12 months only and the Minister must reconsider and amend this provision on Committee Stage or later to extend the provision to at least a 24 month period. People in society may not even necessarily have received very large fines for them to have difficulty in discharging them within a 12 month period and it definitely must be extended to at least 24 months. In addition, the ability of a person to be able to pay a fine of any sort must be taken into account when the fine is being levied and courts should be highly cognisant of this, particularly in the current climate.

Section 6(5) provides for the provision of an administrative charge of 10% on those who pay fines by instalment, which is excessive. I do not believe a 10% administration cost will be in evidence in respect of the processing of fines, particularly when one considers this can be done through an information technology system. While there may be an initial cost in implementing such a system, this should be carried by the State in the interest of the public good. The Courts Service should not actually make a profit on the payment of fines by instalments on foot of the retention of the aforementioned 10% administrative charge. A worrying aspect to this legislation is that in its report for 2012, the Courts Service stated it still is not in a position to be able to accept fines by instalments and it has highlighted the need for its IT systems to be updated to ensure it can do this. This is worrying when one considers that paying in instalments has been on the Statute Book since 2010, although it has not been commenced. Will it be the case that next year or in two or three years' time, the Courts Service will have been unable to step up to the mark? As this measure has been flagged for so long, the Courts Service should be ready to roll out a system of paying by instalments as soon as this Act is implemented because the system will simply collapse otherwise. Moreover, it will be completely unacceptable for the Courts Service not to be in a position to cater for citizens of this State who are willing to pay by instalments. While I am unsure whether this has been covered in the Bill, provision should be made to enable people to pay through the post office or their local council office and so on in a manner similar to car tax, television licence fees and everything else. The avenues and options available to people to make payments should be as broad as possible to facilitate them in so doing.

Section 6 also provides that fines under €100 are not eligible for payment in instalments. This should be re-examined by the Minister. A fine of €100 could place a severe burden on

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many families and individuals. The difficulty in being able to get €100 together to discharge a fine cannot be underestimated. For some single people living on jobseeker's allowance of €188 per week it will be impossible to pay €100 in a once-off system such as this. The level at which payment by instalments can be implemented must be looked at and adjusted. Also, I note with interest that in the explanatory memorandum circulated with the legislation there appears to be a problem in respect of social welfare recipients and whether their fines can be deducted from their payments due to the levels allowed. The social welfare Act passed earlier this year changed the level that can be deducted from people to 15% of their social welfare payment. I hope this provision is not intended to allow only people who are in employment to be able to pay their fines by instalments, but that it is also intended for recipients of social welfare so they can benefit from the instalment process. Otherwise, there would be a situation where possibly the only people who would end up incarcerated for non-payment of fines would be social welfare recipients, if they are unable to avail of payment by instalments. That is very important.

The right to appoint a receiver to confiscate property to allow for fines to be discharged is a very serious development. It must be examined and considered very carefully. There should be a minimum level of fine under which a receiver would not be appointed. As we have seen over the last few years, receivers are probably one of the few growth sectors in the State, given the amount of receivers that have been appointed to properties and companies throughout the country. Appointing another raft of receivers to recover the value of fines is something we must consider very carefully. It should only be in exceptional cases and for very high levels of fines that the appointment of a receiver would be considered, particularly as appointing a receiver will add an additional amount to the cost of the fine because the receiver's fees will be paid out of the property being confiscated to recover the fine.

Section 11 provides that where recovery of assets is not possible a community service order or imprisonment may follow. It appears the court does not have to consider that first, but can go straight for recovery of assets. I believe it should be able to consider the community service element in advance of recovery through confiscating assets. Community service means the person is not incarcerated and it can add some value to the community the person comes from in discharging the fine.

I will consider tabling amendments relating to the issues I have raised. I ask the Minister to consider the arguments I have made in respect of the problems we can foresee with the operation of the legislation.

An Leas-Cheann Comhairle: I call Deputy Boyd Barrett. He has 11 minutes.

Deputy Richard Boyd Barrett: I might not use all of them, for a change.

Deputy Bernard J. Durkan: Go on.

Deputy Richard Boyd Barrett: I welcome the objective of this legislation. It is a worthy objective to try to limit the number of people who are imprisoned for non-payment of fines.

It is not true in all cases but, in my experience, in a huge number of cases imprisonment for non-payment of fines is, in effect, imprisonment for poverty. People should not be imprisoned for poverty. What prompted me to speak on this issue was a phone call I received last week from somebody in the Tallaght area. A disabled, elderly man told me he was due to appear in court last Friday for non-payment of a television licence and was under threat of possible imprisonment. He told me something even more shocking. He was so outraged by this, because

obviously somebody who is disabled is entitled to a free television licence, that in seeking to challenge it he had rung the local Garda station. I have still to confirm what he told me as I only heard it last week, but he informed me that 20 to 30 people in Tallaght in the last couple of weeks have been imprisoned for non-payment of the television licence. He alleged, and I have heard of a couple of such instances, that because people have so little money there is a type of informal but now routine arrangement where the gardaí call and advise that the person would be better off doing a prison sentence as only a few hours will be served following which the liability for the fine will have been discharged.

People are so desperate and so unable to pay that they are opting to spend a few hours or a day or two in prison rather than pay the fine, which they cannot afford. It is a sad indictment of our society at present that people would voluntarily opt for prison in a situation where it is either do that or pay a fine for a television licence or another fine which they simply do not have the means to pay. The least we can do is try to minimise the rate of incarceration of people because, in a huge number of cases, they do not have any money.

I have not had a chance to study the finer detail of the Bill but I intend to table amendments as necessary. What is important is that we ensure the fullest consideration is given to the circumstances that led to people being unable to pay a particular fine. If it is genuine poverty and if, as is the case for many people at present, choices are being made between paying the mortgage, the credit union, the household bills or looking after children and in that context people let certain things drop, such as a fine or television licence, the most generous understanding of that difficulty should be extended by the court to people who might find themselves in that situation. We should find a such a way of proceeding so we do not have to waste money, time, resources, administration and so forth on, essentially, having to punish people for a situation that is largely out of their control. That is the point we must reach.

I have not had an opportunity to listen to the debate so far but, as others have probably mentioned, we all know it costs far more to keep people in prison than, for example, to give them a job. That is a huge anomaly when one considers our prison population generally. Overwhelmingly, people in prison come from less well-off or disadvantaged backgrounds. That is true not only in respect of non-payment of fines but generally. In a huge number of cases if people just had meaningful and reasonably paid employment, it would be the route out of the circumstances which led them into prison in the first place. The annual cost of keeping somebody in prison is approximately €70,000 per year. That figure represents the jobs of two people earning the average industrial wage. This is a serious anomaly and in order to deal with it we must try to address the conditions which may lead to people going to prison, for example, poverty, unemployment, living in disadvantaged areas etc., rather than punishing those individuals for being the victims of difficult circumstances. What I have just outlined represents the general thrust of the Bill. Notwithstanding my differences with the Minister, Deputy Shatter, on many issues, I am sure that this thrust arises out of his experiences in the courts. I welcome what is being done but I am of the view that we must go even further in order to try to understand the circumstances of people who find themselves in difficulty.

Deputy Pringle's point with regard to increasing the period for instalment payments from 12 to 24 is absolutely correct. I know people who are in debt in respect of their bin charges or who are behind on their rent. In that context, it can be tough for individuals to meet the terms of arrangements whereby they are allowed to pay off their debts at €5 or €10 per week over two or three years. Discharging a fine of a few hundred euro over a period of a year could place quite a serious additional burden on those who are on the very margins in the context of their economic

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viability. In such circumstances, I am of the view that we should extend the time limit.

I completely agree that community service should be the first option taken in cases where it is necessary to impose some form of penalty on an individual for non-payment of a fine. Surely obliging someone to perform community service, which involves giving something back to society, would be far better than seizing his or her assets or imposing a term of imprisonment.

The Bill is extremely detailed. I genuinely welcome the fact that it has been brought forward and that an attempt has been made to deal in a progressive manner with a real problem. In some cases the nature of that problem borders on the scandalous. Successive Governments - not necessarily this Administration - have allowed it to continue to obtain for many years. I refer to ordinary people who are not a threat to society being imprisoned and the subsequent costs to which this gives rise for them and society in general. I look forward to the remainder of the debate on this legislation as it passes through the Houses.

An Leas-Cheann Comhairle: I understand Deputies Corcoran Kennedy, John Paul Phelan, Kyne and Walsh propose to share time. They will each have five minutes in which to make their contributions.

Deputy Marcella Corcoran Kennedy: I appreciate the opportunity to contribute to the debate on this welcome legislation. When citizens break the law there are consequences involved. The use of fines is a punishment which is intended to be an encouragement for people not to break the law. Fines are widely used by the Courts Service as a cost-effective punishment for specific offences.

The Minister, Deputy Shatter, outlined the three main objectives of the legislation. These are restoring confidence in the administration of justice where fines have been imposed by the courts, ensuring that fines imposed by the courts are collected and reducing the number of people committed to prison each year for the non-payment of fines. I do not believe anyone can argue with those objectives. I wish to focus on the final objective first. The increase in the number of committals to prison in respect of the non-payment of fines is extraordinary, particularly when one considers that the average fine amounts to just over €300. The majority of fines imposed are for amounts of less than €200. In 2007, 1,335 people were committed to prison for non-payment of fines. Just five years later - in 2012 - that number had increased to an incredible 8,304. Who are the people who would go to prison rather than pay fines and why do they take this course of action? The answers in this regard are complex. I understand that some individuals are even being jailed for non-payment of their television licence fee. Is it a case that they cannot pay, that they will not pay or a combination of both?

I am of the view that the punishment should be appropriate to the offence committed. I further believe that imprisonment for non-payment of sums of between €200 and €300 is a waste of public money. However, if fines are imposed, they must be paid. The legislation will keep to a minimum the number of people committed to prison for such transgressions. This will fit well with our overall aim to restrict the prison population to a minimum. It is in all our interests to do so, particularly when one considers that in 2012 the average cost to the taxpayer regarding the incarceration of each prisoner was €65,404. That figure, which does not include the cost of education, is staggering.

Imposing fines which take account of the means of the person involved is critical. Fining people with higher means will have very little impact on them in comparison to individuals

who have lesser means. In the context of the provision whereby people will be permitted to pay fines over a period of 12 instalments, I request that consideration be given to using the previous period of 24 instalments in certain circumstances. I understand that such a move has been recommended by the Irish Penal Reform Trust. Every effort should be made to simplify the payment of fines by means of instalment by allowing for their collection via the services offered by An Post and the banks. This will ensure that fines will be paid by those upon whom they are imposed.

I welcome the provision which will permit the sharing of data by Revenue, the Department of Social Protection and the Courts Service. I also welcome the fact that attachments of earnings will apply in respect of unpaid fines. However, we should give careful consideration to the recommendation contained in the report on penal reform, which was produced by the Joint Oireachtas Committee on Justice, Defence and Equality and to which previous speakers referred, to the effect that prison sentences of less than six months duration in respect of non-violent offences should be commuted and replaced with community service orders. This recommendation should be implemented as soon as possible.

In the broader context, an impression has been given that the payment of a fine removes one's debt to society. In that context and like previous speakers, I am of the view that the imposition of fines in respect of significant sexual offences is not the correct route to take. People should not be able to buy their way out of certain offences which are grossly offensive to the majority of the population merely because they have the money to do so. Society faces a challenge in ensuring that citizens operate within the law, which is vital to ensure that society can function. The legislation before the House will go a long way towards ensuring that people who are fined for minor offences will be kept out of the prison system.

Deputy John Paul Phelan: I support the legislation and agree with many of the comments made by speakers on both sides of the House. Regardless of whether they were all served, the fact that last year over 8,000 people received some form of prison sentence in respect of the non-payment of fines is quite startling. Deputy Boyd Barrett referred to people choosing the option of going to prison rather than paying fines. The latter has a significant impact on the individuals involved and gives rise to a significant cost to the Exchequer. I welcome the Bill because it will change the position in this regard. I am sure all Members are of the view that people who do not pay fines, whether by choice or because they cannot afford to do so, should not end up in prison and that attachment of earnings and community service orders offer a much more effective way of ensuring that justice will be served.

I wish to focus on community service orders, which are imposed in a very haphazard way throughout the country at present. In some areas significantly more of these orders are put in place than is the case elsewhere. Deputy Stanton referred to work his committee will undertake in the near future in regard to the community court system which is prevalent in New York and which has worked to a very startling extent in that city. Recidivism among people who have appeared before the community court has dropped from 80% to 18% since its introduction. People are tracked for up to six months after appearing before the community court and, if they do not get into any difficulty in that period of time, their file is sealed and it is not something which can be held against them at a later date. There is much scope for additional legislation in that area in this jurisdiction. People should not go to jail for the non-payment of television licences and traffic fines.

A few days ago, a leading national commentator spent a couple of hours in prison as a result

of a traffic offence. Some might argue it was a little bit of a stunt on the part of that person and one could argue that it was a misuse of State resources that somebody would spend a few hours in prison to discharge his or her liability, having gone through courts and prison system. That is why this legislation is really important.

I agree with Deputy Stanton's comments on the possibility of deductions from social welfare payments, in particular for smaller fines, although it is a controversial area. The Department of Social Protection is in a position to look for money back when overpayments are made to those in receipt of social welfare. A small contribution over a long period of time to ensure somebody does not end up in prison should happen. Failing that, a more effective community service order regime should ensure such people never end up in prison for non-payment of fines.

Deputy Mattie McGrath and others raised the issue of sheriffs and debt collection. There is no doubt the tactics being used by individuals operating for some of the leading financial institutions in this country leave a lot to be desired. I know it is not an area with which this Bill deals specifically but it is something which cannot continue. Some of these bully boy tactics are not appropriate and I hope the Minister will address that particular area in the near future.

Deputy Seán Kyne: I welcome the publication of this Bill and the debate which will take place over the coming weeks. Imprisonment must be one of the most detrimental events to take place in someone's life and its effects can be long-lasting, not only for the period of imprisonment. In some cases, it can lead people down a path of no return. While it is important imprisonment is there as a deterrent, I welcome the Minister's proposal in this Bill that the minimum number of people will be sent to prison for non-payment of fines.

I accept many of the useful observations published by the Irish Penal Reform Trust. One of the main points is that sending people to prison for non-payment of fines is a great strain on the system and it also costs the taxpayer. Imprisonment should be seen as a last resource, especially for repeat offenders. One of the innovations of this Bill is the instalment option which allows people to pay by instalment over a period of 12 months. This will allow a more manageable and equitable system and should also result in greater numbers of people paying their fines. I know of people who have had fines of €250 and who looked for the opportunity to pay by instalments, so I am glad to see this will be allowed in the future.

Section 6(5) has a stipulation that an administration fee of up to 10% should be imposed, with the Minister to set the exact percentage. This will be an additional charge to be levied and is reasonable because there would be an administrative fee if the fine was to be paid in instalments, whether in a post office or otherwise, with the proceeds of some of this going to the benefit of communities and charities. The figure of 10%, however, needs to be looked at and perhaps a lower figure would be more reasonable, especially when one considers that those who wish to pay in instalments would be doing so by necessity because they do not have the money to pay the lump sum in one go.

I also welcome the community service orders and the attachment of earnings provision. The attachment of earnings is practised by the Department of Social Protection in regard to overpayment of welfare payments and in family law situations to allow people to comply with maintenance orders. Section 15 has a stipulation which only permits attachment orders to be applied to persons in employment and in receipt of private pensions. While social welfare payments are at a basic level, we need to look at that area if there are high levels of social welfare payments going to an individual which may give him or her the means to pay something by

way of instalment.

Community service orders have much potential. As I stated, very often the proceeds derived from fines ultimately finance the community through official programmes, services or schemes of local or central government or, in some instances, charitable organisations. If a person fails to pay a fine through instalments or otherwise, his or her debt could be paid through restorative community work, of which there is a good variety of options that all benefit communities.

Other functions of the Bill are worth mentioning as they demonstrate a number of positives, such as the innovative use of IT by the Irish Courts Service in making the instalment payment option possible. The provision for the sharing of data between the Revenue Commissioners, the Department of Social Protection and the Irish Courts Service is vital in the interconnected society in which we live. Up to a few years ago, overpayments were being caused in the Department of Social Protection because various schemes were on two different IT systems. Some of the overpayments occurred because of this IT oversight or because of genuine human error. Others, however, were as a result of unscrupulous individuals who knew the system very well and knew how to defraud or, more significantly, defraud their fellow citizens.

I welcome this Bill as it aims to reduce the number of people imprisoned for non-payment of fines by utilising better IT and introducing more manageable recovery systems. I reiterate my concerns regarding the administration fee for paying by instalments and hope the Minister will be mindful of this when setting the percentage.

Deputy Brian Walsh: I welcome the opportunity to speak briefly on this Bill and I thank my colleagues for sharing Government time with me. The dysfunctionality of the current practice in regard to the collection of court imposed fines was recently highlighted by a case involving *The Irish Times* columnist, John Waters, to which Deputy John Paul Phelan referred. Having failed to pay a €40 parking fine, Mr. Waters presented himself at Dún Laoghaire Garda station and was transported by gardaí to Wheatfield Prison where he was processed and spent approximately two hours before being released. The whole exercise cost the State far more in resources than the original fine. He was essentially afforded a very expensive visitor's tour of the prison facilities before heading home in time for his dinner.

The provisions of the Bill seek to address some of the problems arising from the disproportionality and rigidity of the current system. The introduction of a range of enforcement options, such as attachment orders, community service and the appointment of receivers, will improve compliance rates and make imprisonment an option of last resort. Rather than imposing further expense on society, the Bill will ensure offenders repay their debt to society. While it represents bad news for those who will not pay, it is a welcome development for those who wish to pay but struggle to do so within the timeframes outlined by the courts. In this regard, I warmly welcome the inclusion of section 6, which again provides for the payment of court-imposed fines by instalment. This was an aspiration under the Fines Act 2010, as we know, but the relevant section was not commenced because of the need for the courts' information technology system to be developed and upgraded to enable it to function as envisaged in the 2010 Act.

Like other Members of the House, in recent years I have met several constituents who want to pay court fines they have received but do not have the means to do so within the permitted timeframe. They have sought to engage with the Courts Service by offering what they could, along with a genuine undertaking that the balance would follow but this cannot be accommodated and they face the prospect of going to prison. It is difficult for Deputies to explain to them

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that a law providing for the payment of fines by instalment has been passed, but the relevant section of that legislation has not yet been commenced. One might expect to hear the excuse that a staggered payment plan is not possible because the courts' computer system cannot process the information from a substandard call centre, but not from the justice system of the State. The inclusion in this Bill of a section providing for payment by instalments is to be welcomed. It will bring fairness to the system. Under the current system, those who cannot afford to pay go to prison, whereas those who can comfortably pay their fines do not. This is the epitome of inequality.

The provisions of the Bill will mean nothing to those who have to pay fines unless they are enabled through the adequate resourcing of the courts system in order to allow them to work. It is worth noting that the estimated outlay involved in the required upgrade of the District Court criminal case management system and the courts' accounting system is approximately €400,000, which is a fraction of the projected increase in revenue that will accrue from improved collection rates and a reduction in the number of people being imprisoned for not paying fines if this legislation is enacted in full. I would be anxious to hear a commitment from the Minister regarding a timeframe within which the requisite resources and infrastructure might be provided to allow this legislation to function fully and as intended.

Deputy Billy Timmins: I will not use all the time available to me. I welcome this Bill. Legislation is generally introduced for a positive purpose and we all welcome it. The introduction of the Bill reminds me that the Government and various Departments - in this case, the Department of Justice and Equality - are failing to implement the legislation we have. Much of the Bill deals with the uncommenced sections of the Fines Act 2010. If I check the debate on that legislation, I am sure I will find that everybody welcomed its introduction as a progressive development. It is baffling that the 2010 Act has not been implemented in the last three years.

I welcome the Bill because something needs to be done about the repeat offenders - people with 10, 20 or 30 convictions - who continuously appear before the courts in Dublin and in our large towns. When the free legal aid mechanism becomes operative the barrister or solicitor gives a spiel on behalf of the defendant, the judge listens with a certain amount of compassion and the individual goes out the door to repeat the offence with very little to deter him or her.

It is important to ensure this legislation is implemented as soon as possible. We know from the application of speeding and parking fines that people who are hit in the pocket with €60 fines will be slow to think about parking illegally again. Human nature being what it is, one will take the risk if one is likely to face a fine of €5 or €10, or if there is a chance that one will not be caught. If the fines are sufficiently strong and consistent, and if they take one's circumstances into consideration, they will certainly have an impact.

The report that was compiled in preparation for this legislation states that approximately €14 million in fines was collected in 2012. It refers to a collection rate of 82%, which means that almost 20% of fines are not collected. It can be estimated on the basis of the figures for 2010, 2011 and 2012 that approximately €10 million in small fines has not been collected since 2010. That is almost half of what it costs to run the Seanad for a year.

Deputy Bernard J. Durkan: That was a quick calculation.

Deputy Billy Timmins: When one takes into account the administration costs associated with dealing with those who do not pay their fines, including the cost of imprisoning them

which is approximately €2 million per annum, it can be estimated that the non-implementation of the Fines Act 2010 has cost the State approximately €16 million in the three years since 2010. I do not know how accurate those statistics are. I have taken them from the appendix to the document on the legislation.

I wish to comment on the idea of putting someone in prison for a short period of time. The revolving door policy, which we used to speak about a number of years ago, is still being pursued. I met someone recently who was sent to prison for not paying a Revenue fine. He was picked up, brought to Wheatfield Prison in Dublin and kitted out in his new prison clothes. He was released two hours later and his clothes were put into the bin. I am sure they were incinerated so they could not be used again. It is a complete waste of money.

It is important that under this legislation fines will depend on income. A sum like €10 or even €100 might mean something to one individual but nothing to another. Some people can afford to forget that they have tens of thousands of euro stashed under the bath. It is important that these fines are relative.

The concept of attachment of earnings orders was introduced into Irish law by the Family Law (Maintenance of Spouses and Children) Act 1976. I would love to know how much money is collected in maintenance fines each year. I appreciate that this legislation does not deal directly with this aspect of the matter. I think fathers who have maintenance orders against them get away with murder in this country. I would like the Minister and the Department of Justice and Equality to examine this issue. I intend to table a number of parliamentary questions about the extent to which maintenance orders are being adhered to.

People have responsibilities in society and in life. That is why we have laws, regulations and rules. Very often, they are not implemented. I suspect that in the area of maintenance collection, there is very poor implementation and very little follow-up on the maintenance orders. I know from the lone parents I deal with on a weekly basis that in many cases one parent has completely abdicated responsibility and is making no contribution whatsoever. The State has to pick up the tab in such circumstances. When I say “the State”, I am referring to the individuals who fund its activities.

There is an increasing disconnect in our society. Those who feel they have to carry the load are increasingly disillusioned. When I was at the National Ploughing Championships in County Laois yesterday, I heard this message frequently from people who are trying to pay their way and make a living. Now that we are hopefully coming out of recession we must learn lessons from the boom period. People often ask me why they should take on extra employees in light of the difficulties presented to them by various rules and regulations. They feel that many of the taxes they are paying are being used to subsidise a section of society that does not pull its weight.

I appreciate that vulnerable people and people who face certain difficulties cannot work. I accept that the State and society as a whole should look after them. Having said that, people must pull their weight. Perhaps Deputies read the recent remarks made by the King of the Netherlands about the importance of people making a contribution to society. This is relevant to this Bill because I believe people who do not pay fines should be tasked with community service. It is important that those who cannot afford to pay fines make a contribution in the form of community service. I am a great believer in the concept of “workfare” rather than welfare. It is more productive for the courts to provide for community service than to impose fines. It

is not just a case of going through the motions and doing something non-productive. It makes a contribution to society.

1 o'clock

The Bill contains - I stand to be corrected - maximum periods for various fines. It is phased from €1 to €500 and there is a maximum period in prison of so many days, be they five or six days. I will look at this between now and Report Stage but I wonder whether we should look at the idea of a minimum time period in addition to this. If we had a minimum time period, perhaps only two days, it would stop the idea of bringing someone in for a couple of hours and going through the ritual. One could have a minimum time period of two days for the lesser fine and increase it. I understand the maximum period in prison for fines up to €3,000 is 90 days. There should be a minimum period of ten or 15 days as well because if someone does not pay their €3,000 and gets 90 days, they may well know that they will be out after half a day or a day so it will not be a deterrent. This policy should not aim to punish people. It should be a deterrent to make sure they comply with the law. If, for whatever reason, they do not comply with the law, the mechanism should be in place to allow them to meet their obligation under the law through a payment.

I do not know if the Department has ever looked at my next point or whether it is constitutionally possible but one thing one consistently comes across is the broken window on a weekend, the bin pulled aside and plants pulled up. Is there merit in looking at a system whereby if the local superintendent knows who did it and that person is willing to own up, there is an automatic fine to compensate for the damage done? If Deputy Terence Flanagan wants a period of time, I am happy to share my time with him. I continually hear about cases where shopkeepers have their windows broken and both they and the Garda know the perpetrator. By the time the case comes to fruition, if at all, things have moved on a few years, the insurance has covered the window, which is ultimately paid for everybody, or the individual businessperson or homeowner has repaired the damage done.

In his reply perhaps the Minister could look at the concept of an on-the-spot fine when there is an acknowledgement of the wrong done. It is an issue I might raise on Report Stage. Many people break windows or pull up plants. It is very difficult to understand why they do it, people can do it when they are younger and do not see the damage they are doing or its impact on society. If, when they are pulled in by the gardaí that evening or the next day, the local superintendent can say "the cost of that is €20", which is the equivalent of a small court fine except it is done at a local level, it saves on administration and allows the court to get on with more serious issues. How much time do I have left?

Acting Chairman (Deputy Seán Kenny): The Deputy has nine minutes.

Deputy Billy Timmins: A number of years ago, we would hardly turn on the television in the evening but there was an issue about the conditions in Mountjoy Prison including the argument that everybody was getting drugs into the prison. In the past few years, that bad publicity has dampened down. I visited the prison a year or two ago and it struck me that one of the reasons why it has dampened is because the governor implemented a policy of involving the prisoners in work in the prison, be they painting or maintenance jobs. I must acknowledge the work of the governor, Mr. Edward Whelan. I saw how prisoners did up the showers. It enhanced the self-esteem of the prisoners who bought into the project. As a result, the discontent they felt and the difficulties with them dramatically decreased. This might be why we do not

hear the same amount of bad stories about Mountjoy, notwithstanding the fact that our penal system leaves much to be desired. Due to an industrial dispute, it was four and a half years after the centre for young offenders in Mountjoy was built before it was used. I understand it opened up for a period but is now closed.

That leads on to my final point. I was part of a Fine Gael policy on dealing with young offenders. Unfortunately, the media damned the project which involved boot camps but they were really rehabilitation centres. I and a few others visited Warrington outside Manchester in the UK to look at a centre. I would plead with the Department to look at that type of facility for young offenders. It is not an extreme right-wing concept. It is a progressive concept. What struck me when I visited it was the relationship between the prison officers and the prisoners. I saw the letters former prisoners had written to the prison staff thanking them for the period they spent there. Prison officers outlined how young offenders across England wanted to get into the centre. Prisoners there carried out their woodwork, metalwork and plastering. They got up in the morning and made their beds. They had a very strict regime but they bought into it and it helped build up their self-esteem. There are common threads regarding why we have many young offenders. It relates to educational difficulties and offenders feeling that society has let them down, which it has in many respects with regard to the lack of early intervention in education and the bad housing policy in areas like north Dublin, parts of Cork and Limerick and other towns where there is no real concentration on the layout of housing estates.

I ask the Minister to look at the concept of giving young offenders an input into their period in prison to make it progressive rather than regressive. He should visit the centre in the UK and look at the letters written by prisoners who had no male role model in their lives as they grew up. All of a sudden, they bonded with the prison staff who took them on board not as prisoners or offenders but as people who needed direction and education. It benefited them. It was surprising to read the correspondence from the former prisoners in these centres. There are many families with a second or third generation in prison. I used to hear the former governor of Mountjoy Prison, John Lonergan, talk about it continually. He obviously knew the families whom society has failed. The old mechanisms do not work.

I support the concept of the Bill but it must be implemented. We do not want to come back here in a few years' time and find out that the fines are not being collected. It must be proportionate. Where people do not pay them, the community service must be productive. Young offenders and our prison system must be looked at. I will put down parliamentary questions to see if information about the non-payment of maintenance orders is out there because many people are abdicating their responsibilities.

Deputy Terence Flanagan: I thank Deputy Timmins for sharing his time with me. I am supportive of the Bill and congratulate the Government in bringing in much-needed reform in this area. We know the non-payment of fines results in lost revenue for the Exchequer, wastes Garda time and resources that could be better used in fighting crime and leads to the imprisonment of a large number of people for short periods of time. Recently, the journalist John Waters wrote about his experience of spending two hours in a cell over a €40 parking fine. He set out his experience and the sheer waste of time and money involved in the current system. That is why reform is very much needed.

We know the Bill provides for a comprehensive system of collection and recovery of fines allowing for the first time for an attachment of earnings so that a fine will come out of a person's wage. That is one way of dealing with those who consistently abuse the law and fail

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to pay the moneys that are owing. In paying the fine, the only choice they have is to decide whether to make a single payment or to pay by instalments from their wages. If they fail to pay the fine within the year, they will face further court action through either a recovery order, an attachment order or community service. If all the options are exhausted, the person could face imprisonment. There is a major problem in this area. As Deputies and legislators, we are all disappointed to see so many people imprisoned for minor crimes, given the overcrowded prisons in this country. The Irish Penal Reform Trust gave a statistic of 8,304 committals for non-payment of court order fines in 2012, including 242 people imprisoned for failing to pay fines for not having a television licence. The trust also advised that 85% of fine defaulters are back in custody within four years, which shows how ineffective the current system is.

The amount of money involved is sizeable, with the cost to the taxpayer last year estimated to be more than €2 million. The new measures are expected to result in substantially higher fine collection rates, some estimates suggesting approximately €4 million. Sometimes people are imprisoned for only a small number of hours - I referred to the case of John Waters - but there is a great deal of paperwork and administration involved, and much wastage of time on trivial matters. Dealing with the payment through people's wages is much more relevant.

Recently in my constituency a couple contacted me who were threatened with court action because they were unable to pay their television licence. A fine of €1,200 had accumulated over time and there was a threat they would be imprisoned. The couple were both in their 60s, fragile and very distressed and stressed out by the situation. If this Bill can prevent such situations, we must all welcome the change.

The system suggested in the Bill is very similar to the one in place in the UK, where imprisonment for non-payment of fines is rare and is only implemented if a person continues to ignore the various requests for payment made to him or her by the courts. In addition, a person can ask to pay fines in instalments and this will be considered by the court, which considers the person's genuine financial circumstances. If a car is clamped, for example, the car will be held by the court and sold, if need be, in order to pay for the fine. I am confident that this legislation will contribute favourably and will make a difference to the numbers currently caught up in our prisons for the non-payment of small fines.

I have one question for the Minister of State. I understand there is no provision in the Bill to deduct unpaid court fines from social welfare payments. Can this be considered in light of what takes place in the UK? Here, only up to €2 per week can be deducted. Is the Minister of State worried this might unfairly target people in employment over those who are claiming social welfare payments?

Acting Chairman (Deputy Seán Kenny): Deputy Bernard Durkan has 20 minutes.

Deputy Bernard J. Durkan: With the permission of the Chair, I propose to share five minutes of my time with my colleague, Deputy Brendan Griffin.

Acting Chairman (Deputy Seán Kenny): Agreed.

Deputy Bernard J. Durkan: This is *déjà vu* for some of us. We are reviewing an item we reviewed before, something that occurs with many pieces of legislation. A number of speakers have mentioned updating legislation. It is important that when we update legislation, it should remain updated. That should be the purpose of the exercise and we should not have to revisit it after a couple of years. In 2010, whatever the reasons and reservations were about its applica-

tion, the legislation did not become fully operational, as has happened in the case of a number of other Bills which remain on the Statute Book. The Charities Act is the most recent example that comes to mind.

I wish to make a couple of points on the Bill. First, as a number of people have noted, a fine is imposed when a person has not discharged a duty or has broken the law, whatever the case may be. There are differences. The television licence has been referred to, for example, as have the numbers of those who have been imprisoned for failing to pay for their licence. For the life of me, I cannot understand why it has not been found possible over the years to prevent the person having to go to court in the first place. When a person is detected for not having a television licence, there should be a provision whereby he or she must then take out a licence or buy into a deferred payment system. That could then be taken into account in the determination of the fine or penalty.

What really takes me to the fair is where a person has not been able to pay for a television licence, which is very often the case in the prevailing circumstances, not necessarily only currently but over the years. As a public representative, I have dealt many times with cases where people were in prison for failing to pay for their television licences. Why did they not do so? There were so many other competing demands and the tendency was to put off paying. It is fine for people to say those involved should not have had a television if that was the case. Perhaps it was the only social outlet they had. Perhaps there was nothing else for them. Perhaps they were on a restricted income and could not afford it. The fact was they had the television, incurred the penalty and served time in prison - often more than 24 hours, which is appalling. That applies not only to this time but goes back throughout the past 20 or 30 years. If people want chapter and verse I can give them plenty.

This is the point at issue. When the crime, or whatever it may be, is detected and the person goes to court, how will it become possible for that person to pay what was not paid before and pay a penalty at the same time? That always takes me to the fair. I cannot understand it. It reminds me of the lenders, the banking system, in cases where a person falls behind in his or her payments. Some other person decides that in order to bring the payments up to date, they will be doubled up over the coming 12 months or so, with no chance whatsoever of achieving success in that situation. That is the first thing that must be taken into account. When the courts impose a fine or a prison sentence in a domestic case such as non-payment of a television licence, regard should be had to the ability of the person to pay and, ultimately, to the ability of that same person to pay a fine on top of the licence fee. I do not refer to people who deliberately avoid having to pay what is due by going through the prison system, abusing it as a means of getting away from payment. I do not accept anybody's right to do that.

One other aspect concerns me a little. As outlined in the Bill, a number of interventions are now required in cases when a person who fails to pay a fine has an attachment or a recovery order imposed by the court. Where it is not possible to make either order, the court may make a community service order. A visit back to court is again required. I would have thought that, in the first instance, the court should set out where the means and wherewithal could be found to discharge the fine. Otherwise, more time will be wasted, which creates a further burden on both the system and the person involved.

Recidivism was referred to by other speakers. There are two issues in that regard. First, there is the person who repeatedly commits a criminal offence. The courts are full of people who do this, who commit multiple crimes while on bail. The Minister referred to this dur-

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ing Question Time yesterday. Obviously there is a flaw in the system. These are people who deliberately flout and abuse the system, using it to continue doing what they have been doing. These are not hardship cases but are people who deliberately set out to break the law and profit thereby, punishing society at the same time. They do so with impunity, as far as I can see. How many times have we seen situations where people have a string of offences, have warrants issued against them for failure to appear before the courts, have committed crimes while on bail, and then get bail again? We need to have regard for that situation in the course of what we are doing here.

The Bill states that when an attachment or recovery order is made and the fine or part thereof remains outstanding, the court may make an order for community service. That is another intervention. Why not deal with that and get it out of the way in the first place by making whatever provision needs to be made? A number of options are available then to the unfortunate person who, through no fault of his or her own, has incurred the penalty. I was dealing with a case recently where a person stopped outside the St. Vincent de Paul shop and was clamped. The person will obviously have to pay, but I cannot understand how it could not be possible for the attendant to work out for himself where the person might be. The person was not going there for the good of his health but for a particular purpose. The person did have an entitlement in this case to a special parking order which was displayed but which was out of date, but at least that was an indication of the person's particular circumstances. Of course, there was no such luck. This was the application of the rule, as somebody determined, and I believe that was wrong.

I have as much knowledge of the inside of a prison as the outside of a prison, and more knowledge of the former than many in here. It is an intimidating experience and one that will last with the person all of his or her life. I dealt with the case of a widow who was imprisoned for failure to pay her television licence. It was an awful experience, because her children were put into care while she was in prison. Somebody was trying to illustrate whatever they were trying to illustrate at the time, but I thought it was a callous act on the part of the person who determined that. There are no excuses in any caring society that will allow something like that to happen. There should be due regard for the degree to which it fails to be caring.

What are the reasons for an attachment order? Is it for a criminal reason or has the fine or penalty been imposed for negligence on the part of the person concerned? Is it due to hardship the person incurred previously? What are the circumstances? I strongly urge that the circumstances of the case be taken into account in the very first instance when this case goes before the courts, instead of going back repeatedly and making various interventions, which will cost the taxpayer huge sums of money. All of these interventions cost a serious amount of money.

I wish to digress for a moment. Those of us who deal with local authority housing applicants know that there is a HPL1 and HPL2 form that must be signed by the applicants before they get registered for a local authority house. It can take six months to register them, so there is a lot of toing and froing involved. Both parties to the application must have this done. In the event that they had a house previously, this form cannot be signed by the Revenue Commissioners because they owned a home previously. However, we have to send it to the Revenue Commissioners, who must then write a letter back stating that they cannot sign this form because they had a house previously. That is about the daftest application of the law that I have ever heard. When it is known and admitted beforehand that the person concerned cannot have this particular form certified, why does it have to be sent to the Revenue Commissioners, who will tell us the story in any event? If a person has been overpaid social welfare, is that through

deliberate fraud or an oversight on his part or through an oversight on the side of the Department of Social Protection? I think those circumstances must be taken into account as well. We cannot treat equally the person who inadvertently breaches the law and who finds himself in a particular situation, and then finds himself subject to an attachment order as well, which will take the original amount plus costs and penalties, creating an even greater burden and a spiral out of which that person can never climb.

I particularly support the points made by Members about the 12 month period. The circumstances of the case must be taken into account. In some circumstances it may be possible for the person to be fined over a 12 month period by way of deferred payments, but in other cases it may not be possible. It may be totally outside the person's ability to meet the costs in a 12 month period. The options should be made available in the first instance. There should not be a situation where the person must go back to court or some other body to resolve the issue.

I would like to make a point about the appointment of a receiver in respect of a debt that has not been discharged. I wonder about some of those things in the current climate. We all deal with constituents who have faced the courts in respect of the non-payment of mortgages, an inability to pay mortgages and so on. I hope that the tendency does not arise in future for lending institutions to take the last option first, because a number of them are doing that now. For example, some agencies will tell people that repossession or sale is the last option. However, some of them are telling them that the first option is voluntary surrender. That is not an option; that is enforcement. In these cases, I urge that the circumstances of the person charged be borne in mind in the very first instance whenever an arrangement is made, in court or elsewhere, to resolve the problem. Otherwise, it cannot be done. The issue will continue forever, get worse and worse, and eventually the person will end up having to spend a considerable time in prison to discharge something that could have been resolved more amicably in the first place.

Data sharing is readily available, as far as I am concerned, but the Bill refers to the sharing of data between the Revenue Commissioners, the Department of Social Protection and the Courts Service. In the context of whatever may happen there, I strongly urge once again that the circumstances be taken into account. If that is not done, we will not resolve this problem at all. We will be back here in two or three years if it is not practical in the way it applies to the public.

None of us would encourage people not to discharge their debts. Of course we encourage people and we always try to help them out in the most positive way possible. It is also worth remembering that, in the current climate, there are competing demands and difficulties for people at all levels of our society. We have to be conscious of their circumstances and try to do what we can to assist them by way of practical advice. At the end of the day, we hope that the passage of this Bill will improve the situation, that it will not become an impediment to what we are trying to do, and that it will not become administration laden to such an extent as to make it impossible to do anything.

Deputy Brendan Griffin: I thank Deputy Durkan for kindly sharing some of his time with me. I welcome this Bill. It is a very sensible and practical proposal. If it is enacted, I hope it will lead to a much more fluent and productive system. It is like something from a Dickens novel when we hear about people being put into prison because they cannot pay fines. That is something that this Bill will tackle, but this is distinct from people who will not pay. The Bill will apply a far more cost effective remedy to that problem for the State, which is something that must be welcomed.

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There is a lot of common sense in the Bill. There is a provision for flexibility in the system, which is badly needed. I did not get to read John Waters's piece on his incarceration, to which Deputy Flanagan referred, but I saw Mario Rosenstock's "Wheatfield Redemption" some time ago. In a way, it summed up much of what is happening in the system. I am aware of an individual who was brought from Kerry to a prison in the midlands via taxi, which needed to be paid for by the State, and accompanied by two gardaí, whose wages and expenses also needed to be paid. The person went in the prison door and literally turned around again to return home. It was like a day trip. This type of process is nonsensical, particularly at a time of adjusting budgets and saving money in every Department. If such instances can be avoided, this legislation will be welcome.

Someone who does not pay a fine might be released from prison after only one or two hours, but he or she will still be left with the label of having been in prison. For a young person in particular, it can be the beginning of a slippery slope. Avoiding a scenario of officially imprisoning people, even if the term is only for one or two hours, would be helpful.

I will be interested in listening to further discussions on this legislation. I listened carefully to Deputy Durkan, whose concerns must be addressed. The uncommenced sections of the 2010 Act were somewhat impractical and inflexible. This Bill contains more common sense.

Constituents have brought an issue to my attention. Where a person gets fined and clearly does not have the means to pay, raising the money can sometimes lead to the commission of further crimes. I have been given anecdotal evidence of such. We must be conscious of this issue. That the fine will be designed to meet the individual's capacity for payment is a positive step.

If implemented correctly and in full, the Bill will be a positive move that will lead to increased revenue for the State, fewer hardships for those who incur fines and offer fewer ways of avoiding fines for those who simply will not pay as distinct from those who cannot pay. Overall, this is welcome. I commend the Minister on his initiative in introducing this legislation.

Minister of State at the Department of Education and Skills (Deputy Ciarán Cannon): As the Minister for Justice and Equality, Deputy Shatter, is unavoidably detained at another event, he has asked me to stand in for him today. I am more than happy to do so.

I thank the Deputies who have contributed so constructively to this debate. This important legislation makes good on the Government's commitment to introduce attachment of earnings for the collection of fines. It builds on the Fines Act 2010 and ties together its provisions with attachment of earnings in a unified whole. It also enhances confidence in the fine as a penal sanction that, once imposed by the court, will be enforced by the criminal justice system. It is that confidence in the penal system that goes to the heart of this Bill.

It is important to our democracy that crime not go unpunished. For good reason, the fine is the most widely used penal sanction in Ireland. It is an entirely appropriate sanction where a person is convicted of a minor offence and is not a serial offender. However, it is only one of a number of sanctions available to the court and it is to be noted that, in most cases, where a judge imposes a fine, he or she has the option under the relevant legislation to impose a prison sentence of up to six or 12 months. That the judge chooses to impose a fine is entirely appropriate. Indeed, all of the Minister's efforts since his appointment have been in the direction of reducing the incidence of committals to prison and ensuring to the greatest extent possible that alternative sanctions, such as community service, are used where appropriate.

As the fine is the most widely used and appropriate sanction in most cases, it is important that it be collected. The Minister referred to the two types of fine defaulter - those who cannot pay and those who will not pay. Since the commencement of section 14 of the 2010 Act, few, if any, people should find themselves in the “cannot pay” category. Section 14(2) reads: “Where a person of full age is convicted of an offence, the court shall, in determining the amount of the fine (if any) to impose in respect of the offence, take into account the person’s financial circumstances.”

To the vast majority of people who want to obey the law and meet their obligations, I offer this advice. If their financial circumstances are such that the imposition of a large fine would impose undue hardship on them, it is in their interest to go to court and present the court with a statement of their financial circumstances. The judge is required to take this into account in deciding on the fine to impose, if any, having regard to a person’s financial circumstances. The law is clear and judges are bound by it. The judge is required to set the fine at a level that ensures the effect of the fine on the person or his or her dependants is not made more severe by reason of his or her financial circumstances. That being the case, there is no reason any person should not be able to pay the fine when it falls due or, under the terms of this Bill, in equal instalments over 12 months.

I turn to those who, for whatever reason, will not pay. This is a diverse group ranging from the financially comfortable conscientious objector to the careless person who puts the fine notice to one side and forgets about it, and everyone in between. Until now, this group was dealt with through the warrant signed by the judge at the time the fine was imposed and executed on failure to pay the fine. The warrant provided for the arrest of the person and his or her imprisonment for a period of up to 90 days. The actual sentence imposed was typically less than five days.

The Bill targets this group in particular. From now on, there will be no automatic imposition of a custodial sentence in default of payment of a fine. Indeed, the current system has the appearance of an optional arrangement that could be characterised as “pay the fine or do the time.” The Government does not want people to be imprisoned for failing to pay a small fine. Policy generally has been against imprisonment and towards alternative non-custodial sentences. That being the case, it is arguable that it is perverse that imprisonment is the default setting for offences that only attract the penalty of a small fine. Prison should not be the first port of call for the fine defaulter. Rather, it should be the last after every alternative has been tried. This is the approach taken in the Bill, supported by the three principles underpinning it.

The first principle is the one to which I referred, namely, no one should have a fine imposed that is too big for him or her to pay. People can avoid this easily by going to court and telling the judge about their financial circumstances.

The second principle is that it should be made easy for people to pay fines. The Bill advances this considerably by extending the instalment provisions contained in the 2010 Act to everyone on whom a fine is imposed. A fine will be set at a level that takes into account the person’s ability to pay. The person can then take 12 months to pay it. The Bill includes a provision that allows for an administrative charge of up to 10% of the value of the fine to be imposed. However, this charge will only be set at a level designed to recoup the cost of providing the facility and not as a revenue-raising venture.

The third principle is that, once a fine is imposed, the State will collect it. Obviously, our

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preference is for the fine be collected by the due date. To be fair to all concerned, this happens in the majority of cases. Where this does not happen, it will be collected by the imposition, where appropriate, of an attachment order or a recovery order. The attachment order will require the person's employer to deduct the fine from his or her earnings and pay it over to the court. The Government is firmly of the view that attachment of earnings is a powerful weapon in ensuring fines are collected. I expect that, once the Bill is enacted, employed people will be encouraged to pay their fines by the very existence of this provision. The alternative of being forced to appear in court and run the risk of their failure to pay a fine being brought to the attention of their employers is something that most employees would wish to avoid.

The recovery order will provide for the appointment of a receiver to recover the fine, including by the seizure and disposal of the assets of the defaulter. This new receiver provision can encourage and foster a culture of compliance. Whereas the 2010 Act provides for the making of recovery orders in all cases, the recovery order in this Bill is more targeted. It will only be applied where the judge considers it appropriate to do so. However, everyone coming before the court for the failure to pay a fine will have to disclose details of any assets they own. The possible seizure of those assets to satisfy the fine will give pause for thought to, at least, some those who would be committed to prison under the existing arrangements.

It is anticipated that most fine defaulters who present in court as employees will have an attachment order made. This is so because, once again, the fine imposed on the person should have taken their financial circumstances into account. Accordingly, it is hard to conceive of circumstances where it would not be appropriate to have that fine deducted from the person's earnings over the subsequent 12 months. Equally, it is expected that the fine defaulter who presents in court with savings, or with other assets that can be disposed of to pay the fine, will have a recovery order made. Recovery orders will provide not just for the recovery of the fine but also of the expenses of the receiver.

Where a judge decides that it would not be appropriate to make either an attachment order or a recovery order, he or she may make a community service order. A community service order may be made where the person consents and the Probation Service is satisfied that the person is suitable for community service. It is only where it would not be appropriate that a community service order be made - or where one has been made and the person has failed to comply with its terms - that the question of committal to prison arises.

These provisions taken together should all but eliminate the need to send anyone to prison for the non-payment of fines. Where it does happen, it will be as a result of the failure of that person to engage with the process and to use the process to avoid imprisonment.

The support of Deputies McConalogue and Mac Lochlainn for the principles of the Bill is welcomed. The Minister will reflect on the issues they raised concerning the administration charge and the period over which instalments can be made.

Earlier in today's debate, Deputy John Browne asked if the provisions for attachment of earnings orders were in accordance with the Data Protection Act. Similar provisions are in place concerning the local property tax and we are satisfied that there are no data protection issues here.

Deputies David Stanton and Terence Flanagan asked about the attachment of social welfare payments. While that is not provided for in the Bill, community service can be imposed in

certain instances.

Deputy Stanton also asked whether higher fines might be imposed on wealthier people. This is provided for in section 5. The Courts Service is working on arrangements to put the new regime in place and it is expected that these will be in place when the Bill is enacted.

During the course of yesterday's debate, there was a rather bizarre contribution from Deputies Clare Daly and Mick Wallace. Deputy Daly was joined in her denunciation of the Bill by Deputy Wallace, who might have been expected to have made a declaration of interests before he spoke, given the fines imposed on him in respect of his conviction for offences under the Pensions Act in 2011.

Leaving that aside, both Deputies Daly and Wallace have been leading a campaign recently on fixed penalty notices. The main point of that campaign is that gardaí should have no discretion where these notices are concerned. The clear implication of this is that both Deputies believe that fixed penalty notices must be paid by everyone on whom they are imposed regardless of their means. Meanwhile, in this House yesterday, Deputy Daly made the argument that fines were inherently wrong and should never be imposed. These two positions are mutually exclusive. The Deputies are either in favour of fines or they are not. They need to make up their minds on this issue.

Of course, Deputy Daly knows that fines have been imposed by the courts for hundreds of years as an alternative to imprisonment. The majority of people on low incomes, including those on social welfare, would prefer to pay a small fine, set at a level that takes account of their financial circumstances, rather than to serve any time in prison or undertake community service. To suggest otherwise is nonsense and displays little understanding of the thinking of most Irish people.

The Bill strikes the right balance and meets its key objectives. It makes it easier for everybody to pay a fine and provides workable alternatives where a person fails to do so. It should greatly reduce the numbers committed to prison for the non-payment of a fine.

On behalf of the Minister, I thank all Deputies for their contributions to the debate. The Minister will reflect on what has been said and he looks forward to discussing the Bill in detail on Committee Stage.

Question put and agreed to.

Fines (Payment and Recovery) Bill 2013: Referral to Select Committee

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

I move:

That the Bill be referred to the Select Committee on Justice, Defence and Equality, pursuant to 82A(3)(a) and 126(1) of the Standing Orders relative to Public Business and paragraph (8) of the Orders of Reference of Select Committees.

Question put and agreed to.

Topical Issue Matters

Acting Chairman (Deputy Seán Kenny): 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 Michael McNamara - the Clare hurling managers' strategy on young people's welfare, A Progressive Approach; (2) Deputy Mary Mitchell O'Connor - the proposed enactment of section 30 of the Teaching Council Act on 1 November 2013; (3) Deputy Michelle Mulherin - the need to make provision for training of chefs through the VECs; (4) Deputies Michael P. Kitt, Kevin Humphreys and Dessie Ellis - the steps to be taken to deal with an increase in homelessness in Dublin; (5) Deputy Richard Boyd Barrett - the need to re-open the education fund for survivors of the Magdalen laundries; (6) Deputy Aengus Ó Snodaigh - to ask the Minister for Finance whether he intends to use his powers under section 14 of the NAMA Act 2009 to direct NAMA to delay the sale of lands at St. Edmundsbury, County Dublin, so as to enable consideration of the State's interest in these lands in light of how they might be used to contribute to the social and economic development of the State as per section 2(b)(vii) of the NAMA Act; (7) Deputy Thomas P. Broughan - the need to address the financial problems being experienced by the St. Michael's House Group; (8) Deputy Brendan Griffin - the rising rate of road fatalities in 2013; (9) Deputy Mick Wallace - to discuss the downgrading of domestic violence services in Wexford; (10) Deputy Seán Kyne - the need to review the decision to relocate community welfare service officers from Connemara to Galway city and Clifden, and the need to ensure access is provided through the medium of Irish and in reasonable proximity to their community; (11) Deputy Thomas Pringle - the need to keep the community welfare officer clinics open in rural areas in County Donegal to allow vulnerable people to continue to access services; (12) Deputy Billy Kelleher - the need for the Government to address the crisis in counselling for child sex abuse victims; and (13) Deputy Derek Keating - the value of continuing to preserve the natural amenity that is the Liffey valley.

The matters raised by Deputies Mary Mitchell O'Connor, Michelle Mulherin, Thomas P. Broughan, and Michael P. Kitt, Kevin Humphreys and Dessie Ellis have been selected for discussion.

Sitting suspended at 1.46 p.m. and resumed at 3.42 p.m.

Topical Issue Debate

Teaching Council of Ireland

Deputy Mary Mitchell O'Connor: I thank the Ceann Comhairle for the opportunity to discuss this important issue that is critical to Dún Laoghaire colleges of further education and other colleges of further education throughout the country.

From 1 November next, to be paid from State funds, teachers employed in State-funded

teaching positions must be registered with the Teaching Council. While implementation of this provision is welcome, there is a need for flexibility in the system as it is currently causing an employment crisis for one college of further education in Dún Laoghaire. I will outline the reason this flexibility is required. First, there is currently no provision in some of the new education and training boards to employ a teacher whose Teaching Council registration is pending. As a result of this, Dún Laoghaire Senior College currently has a certified sick leave vacancy that cannot be filled in the short term, resulting in the cancellation of classes for students. While the supervision and substitution scheme can be used to provide some cover for short-term absences, it is only a temporary solution. Teachers who are available for supervision and substitution generally do not have the subject expertise and skills to deliver the content required. As I stated, supervision and substitution is acceptable on a short term basis, but classes cannot continue to be cancelled should sick leave be extended. This will have a severe impact, particularly in further education, and must be urgently addressed.

Colleges of further education, by their very nature, offer specialist classes including cloud computing, theatrical make-up and soccer coaching. Often experts in an industry are more appropriately competent in these areas than are persons with a teaching diploma. Unfortunately, classes in cloud computing have had to be cancelled owing to this new registration requirement. I have been contacted by students who are upset, annoyed and disappointed because their courses have been cancelled. This is not acceptable. Accommodations must be made to allow the employment of industry specialists until persons deemed qualified by the Teaching Council can be recruited or until such time as these specialists complete a teaching diploma or tutor's course.

The implementation of section 30 has prevented and will continue to prevent new course development and innovation, which has been the hallmark of further education for the past 30 years. I therefore urge the Minister to put in place a mechanism to allow the education and training boards to employ teachers whose Teaching Council registrations are pending. I also call on him to put in place a mechanism to allow the education and training boards to employ industry specialists to fill immediate vacancies.

Minister of State at the Department of Education and Skills (Deputy Ciarán Cannon): I am taking this topic on behalf of my colleague, the Minister for Education and Skills, Deputy Quinn. I thank Deputy Mitchell O'Connor for raising the matter.

Section 30 of the Teaching Council Act 2001 is due to be commenced on 1 November 2013. It is designed to underpin the Department's policy of a registered and fully qualified graduate teaching profession. It prohibits payment by the State of people employed as teachers in recognised schools unless they are registered with the Teaching Council. It also facilitates the Teaching Council in promoting professional standards in teaching. It acts in the public good by upholding and enhancing the reputation and status of the teaching profession through fair and transparent regulation.

It has long been the policy of the Department of Education and Skills that only qualified and registered teachers should be employed by schools. Current recruitment procedures set out in circular 31/2011 require schools to ensure that teachers proposed for appointment to publicly paid posts are registered with the Teaching Council and have qualifications appropriate to the sector and suitable to the post for which they are proposed. Circular 25/2013, which advised of the commencement of section 30 on 1 November 2013, was published on 15 May and refers to the requirements for the recruitment of teachers following the commencement of section

30, and the small number of permitted exceptions from the requirement to employ registered teachers.

A further circular to be published shortly will contain the procedures for people and schools upon the commencement of section 30, following further consultation with staff representative and management bodies. Regulations governing the limited conditions under which an unregistered person may be employed after the commencement of section 30 have been drafted and will be published with the circular. I hope this will clarify the situation considerably for the Deputy. Schools have been advised to ensure that registration with the Teaching Council is included as a requirement when advertising vacant teaching posts and to seek evidence of current registration prior to offering positions.

As mentioned by Deputy and discussed at length over the past couple of weeks, there are certain specialist posts in the education sector that are occupied by people who are not qualified teachers but that have been traditionally classified as teaching posts. In some cases, these posts were always intended to be teaching posts. In other cases, positions are instructional in nature and a teaching qualification is not essential. It is in the educational interests of students that those delivering such courses have specialist qualifications or experience. It is also in the public interest that such courses and activities be allowed to continue. A number of courses delivered in our PLCs and certain specialist roles in special schools would fall into this category. The Department, in consultation with the management bodies, is currently identifying these posts and where they exist. Such posts will be reclassified and will not be subject to the requirements of section 30. A list of these specialist posts will be made available shortly.

Deputy Mary Mitchell O'Connor: I thank the Minister of State for his reply. I agree that this issue has been discussed a great deal recently and I thank him for examining the issues I have raised. I am glad to hear that some posts in specialist areas will be reclassified. I am sure Dún Laoghaire Senior College will be delighted to hear that.

I would like to draw the Minister of State's attention to another problem that arises in the context of the implementation of section 30. The Department of Education and Skills has indicated that section 30 will not apply to teachers working in the adult and community education sector, including adult education delivered at night. However, the courses being delivered in both sectors are often similar or identical to full-time courses being delivered in further education colleges. This unfair difference in treatment must be urgently addressed.

Furthermore, teachers who are qualified to work in third level institutions such as institutions of technology do not require Teaching Council registration. This means teachers in institutes of technology will no longer be eligible for employment in further education colleges once section 30 has been commenced. These differences need to be recognised and accommodated by the Department. I urge the Minister to explore every possible avenue to reach an immediate and fair solution to these matters before 1 November.

Deputy Ciarán Cannon: The Government's view, which I am sure is shared by the Deputy as a member of the teaching profession, is that all teachers should be appropriately qualified and we must be able to stand over the quality of the teaching delivered in all schools. The commencement of section 30 of the Teaching Council Act will reinforce the Department's long-standing position that education in recognised schools funded by the State must be delivered by appropriately regulated professionals. This position must be maintained in the interests of providing the best possible education to students, which is the minimum that schoolchildren de-

serve. The commencement of section 30 is intended to buttress this policy and will help ensure we deliver a quality education to all of our children.

Bearing in mind the case made by the Deputy on specialised qualifications and experience of certain individuals outside the teaching profession, which would be of immense benefit to those participating in certain courses, as I indicated, we are identifying what are these specialist roles and we may seek to forego the requirement to have the individuals in question register with the Teaching Council under section 30 of the Act. The other anomalies raised will also be explored in this process.

Deputy Mitchell O'Connor described two different methods of educational delivery. The adult and community education sectors operate on a fundamentally different basis from primary and post-primary schools. The particular anomalies she described may be difficult to resolve but we will do our best to do so.

Tourism Employment

Deputy Michelle Mulherin: Today, the Minister for Transport, Tourism and Sport, Deputy Varadkar, announced that visitor numbers increased by 6.5% in the first eight months of 2013. Coupled with figures published by the Central Statistics Office which confirmed that 15,200 jobs were created in accommodation and food services between the second quarter of 2011 and the first half of this year, this is welcome news. The figures vindicate the policy focus on support for the tourism industry the Government has pursued, including measures such as the reduction in VAT to 9% and a reduction in PRSI on employment in the sector, as well as initiatives such as The Gathering. Clearly, the Government's focus on growth in the tourism industry as part of its strategy for economic recovery is paying off and must be continued.

It is ironic that at this time of high unemployment, the success of recovery in the tourism industry is being threatened by a shortage of trained and skilled staff, in particular chefs. The tourism industry is finding it necessary to recruit substantial numbers of staff, including chefs, from outside the country. This is a crazy position considering the number of people on the live register who wish to upskill to find work.

Basic training in reception and kitchen work and other aspects of accommodation and food services provision that would lead to FETAC level 4 and 5 awards is not available. In addition, a number of Fáilte Ireland courses were cut some years ago. This means we do not offer any intermediate post-leaving certificate education other than the full-blown tourism courses offered by third level institutions. This gap in provision has been identified by the Irish Hotels Federation and Restaurants Association of Ireland. The Department and SOLAS, in conjunction with hoteliers, restaurateurs and their representative organisations, must take immediate action to provide proper training.

I understand that figures suggest 5,000 course places would be required immediately to meet demand, with a further 2,000 places needed each year. Filling this gap will require the introduction of an apprenticeship scheme, perhaps under the auspices of vocational education committees which have educational and training facilities in place nationwide. Such a scheme would facilitate integrated education and allow trainees to attend courses on certain days while continuing to work in restaurants and hotels where they would receive practical training. Such a programme should be established by the Minister as a matter of urgency. We have an excel-

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lent opportunity, in accordance with the Government's Pathways to Work programme, to increase the employability of jobseekers and provide education that is integrated with jobs.

The men and women working in the hospitality sector are essential to its success. Training them properly will ensure visitors have a good experience, pay return visits and advise their friends to come to this country. We are always brainstorming as we seek new ideas for creating meaningful training places that will deliver jobs. This is one such idea. I am aware that conversations are under way with SOLAS in this regard and there are measures in the pipeline. These steps should be taken sooner rather than later because many jobseekers would benefit greatly from the type of education programme I have described.

Deputy Ciarán Cannon: I thank the Deputy Mulherin for raising this matter.

Under the National Tourism Development Authority Act 2003, the training and education of workers in the tourism and hospitality industry fall under the remit of Fáilte Ireland, which is responsible for enterprise support, capability building and human resource development for the tourism industry. At the same time, SOLAS and my Department have overall responsibility for ensuring Ireland has the skills required to meet the needs of all industry.

Fáilte Ireland's approach to delivering training to the tourism sector has evolved over the past ten years. The sharp economic downturn adversely affected employment levels within tourism and employment opportunities. As a consequence, the priorities within the tourism industry changed to on-site practical training interventions to help boost productivity and sustain existing jobs. At the same time, Fáilte Ireland, in conjunction with the institutes of technology, has developed a strategy for the provision of hospitality and tourism programmes to provide a sustainable supply of industry ready staff to the tourism industry over the medium term. A critical aspect of the collaboration between Fáilte Ireland and the institutes of technology is that the former has sought and secured the provision of improved training and career prospects for new entrants. New apprenticeship style models have been developed and put in place across the country together with an accelerated training programme for chefs and restaurant service.

For individuals who are eager to join the workforce but do not want to attend college full-time, Fáilte Ireland supports a number of earn and learn programmes. These programmes enable individuals to attend college part-time to receive a fully recognised qualification, while receiving valuable paid work experience in a best practice establishment in the tourism industry. Fáilte Ireland considers that the range of courses delivered to 1,600 students at third level annually addresses adequately the vocational training needs of the industry.

In 2012, Fáilte Ireland provided training and business support to just under 17,000 trainees, students, employees and employers. Concerns are sometimes expressed, as noted by Deputy Mulherin, that there is a shortage of trained personnel available to work as chefs, particularly in the restaurant sector. However, statistics available to Fáilte Ireland suggest that this skills shortage does not exist on a national basis. My Department has a broader concern that training and education offerings are aligned with the needs of industry and jobseekers. It should be noted that there is also some provision at both FÁS and VEC level for professional and general cooking courses.

SOLAS, the new further education and training authority, is being established as a funding and oversight body under the aegis of my Department to ensure the provision of 21st century high quality further education and training programmes to learners. Section 9 of the Further

Education and Training Bill 2013 provides that SOLAS, once established, will prepare a strategy in respect of further education and training.

4 o'clock

SOLAS will promote further education and training provision that is relevant to individual learner needs and national skills needs, This includes the needs of business and future skills needs.

The Deputy may also be interested to know that in consultation with the Restaurants Association of Ireland, a new general cookery course with up to 100 places has been launched through the Momentum programme. FÁS has issued tenders for training entities to get involved in that.

In collaboration with industry, we are carrying out a review of our national apprenticeship schemes to determine how we can deliver the best apprenticeship opportunities to all our people, particularly our unemployed young people. Following that review, I expect significant developments built around partnership between SOLAS, our education and training boards and the hotel and catering sector.

Deputy Michelle Mulherin: I thank the Minister of State for his response. According to the Irish Hotels Federation and the Restaurants Association of Ireland, there is a shortage of kitchen staff and other staff in the hospitality sector. The Minister of State has indicated that as apprenticeships are being reviewed, there may be scope to work with the tourism, food and hospitality industries. Does that confirm the need for what I am requesting, an integrated apprenticeship-style course? There is a gap between FETAC level 4 and level 5. Representatives of the Irish Hotels Federation were in Buswells Hotel today. They have said they are discussing the matter with SOLAS and that the problem is recognised. However, the Minister of State's response does not seem to indicate that.

Emphasising the shortage, many chefs are being brought into the country because restaurants do not have the chefs. While there may be chefs in the kitchen, why can we not train our own people where there is a skills shortage?

Deputy Ciarán Cannon: The Deputy is correct in pointing out that the Irish Hotels Federation has recently forwarded a report to my Department on job creation and training within the overall hospitality industry. It sets out the IHF's concerns over training and skills shortages in the hotel sector. It also sets out the key elements of the training needs in the hotel and guesthouse sector. The Minister, Deputy Quinn, has agreed to meet representatives of the IHF shortly to discuss the report further.

There seems to be a difference of opinion. Fáilte Ireland, which is responsible for the training needs of the industry, asserts that shortages are only occurring in certain pockets around the country and not nationally, whereas the IHF and the RAI seem to think quite the opposite. My door is always open to both those organisations and we will certainly work with them in partnership as best we can to address what they see as the skills shortages in that sector. We have worked with them in developing the Momentum programme, allowing people who are unemployed to gain access to a free, high quality course, which has been developed in partnership with the restaurant sector responding directly to its skills needs.

SOLAS will shortly be established and one of its obligations will be to prepare a national

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strategy in respect of further education and training that is relevant to individual learner needs, but also and equally important, relevant to the needs of the industry. That will involve a significant consultation process and I hope the IHF and the RAI will play a significant role in that process.

Services for People with Disabilities

Deputy Thomas P. Broughan: As the Acting Chairman, Deputy Terence Flanagan, knows, the St. Michael's House group is an excellent organisation providing care, residential services and respite to persons with intellectual disabilities and their families living in Dublin and north Leinster. The organisation has been operational for more than 57 years, and in my time as a public representative, I have been consistently reminded of the vital contribution St. Michael's House makes to the lives of people with intellectual disabilities and their families.

St. Michael's House is the largest provider of intellectual disability services in Dublin and the third largest provider of such services nationally. It currently provides day services to 1,679 citizens and residential services to 454 citizens. The majority of the group's services are in the HSE north east region. Its budget from the HSE, which has been savagely cut in recent years, is approximately €68 million.

It is operating under extraordinarily difficult circumstances. It has the largest residential waiting list nationally, with 330 people on the priority list for residential services. It accounts for 18% of the national waiting list, with just under 6% of the possible beds. St. Michael's House maintains that 52 of the families with people on the waiting list are in serious difficulty at present. In recent weeks, constituents whose family members receive vital services from St. Michael's House contacted me in a state of distress because of the potential consequences for their families of the most recent proposed cuts to funding to the organisation.

Since 2008, the budget for St. Michael's House has been cut by more than €12 million. This has posed an almost impossible challenge for the organisation because of the continued high demand for its services. In contrast to the declining budget, the number of people using St. Michael's House services has increased, with 250 more people using the day services and 45 more people in its residential services than in 2008. On top of this, St. Michael's House continues to accept all new children referred to its services, and the current referral rate is 14 infants per month. Another challenge posed is the decline in staff numbers owing to the moratorium on recruitment. There are approximately 1,100 staff in the organisation, but since 2009, St. Michael's House has had to carry on providing more services to more people with 240 fewer staff.

On 9 August, the organisation received information that, on top of the 1.36% cut applied to its budget allocation for 2013, a further €1 million was to be taken from the organisation's budget. There was also the impact of the Haddington Road agreement on clinical and other staff. I am heartened to note that following efforts from our constituents - I hope and trust the Acting Chairman is involved in this - some of the €1 million cut has been rowed back. Families of those availing of the services are terrified, however, that cuts to the service could include contraction of residential and respite services, the closure of residential services for one Sunday per month, the ending of the St. Michael's House rent subsidy in residential services, the end of the trainee allowance, reductions in transport so that staff and families will be required to provide transport, and no new residential places or long-term placement. As we approach 15 October, the families of those availing of St. Michael House's services may be faced with some

such menu for 2014, which would be appalling.

I recently spoke to Ms Patricia Doherty, its chief executive officer. She has been forced to advise families of the grave fears among her management team that there will be an unavoidable impact. As in so many other areas, the people are begging the Government in two or three weeks to end austerity and get out of the horrendous rut of cutting which is damaging our economy. These are the most vulnerable of our fellow citizens. We have a duty of care to them and their families, who may have looked after them for 20, 30 or more years. In the budget for 2014, I urge the Government not to make further cuts and to ameliorate the impact of existing cuts.

Deputy Ciarán Cannon: I am pleased to outline the Government's position on the situation at St. Michael's House disability services. I begin by recognising the valuable contribution St. Michael's House makes to the provision of services to people with intellectual disabilities. In 2012, St. Michael's House received more than €70 million in funding from the HSE to provide a range of services to approximately 1,660 children and adults with an intellectual disability in more than 170 centres in the greater Dublin area and Navan, County Meath.

The range of services provided by St. Michael's House include individualised services, clinical therapies, early services, special national schools, inclusive education, vocational training, adult day services, employment support, residential independent living, and respite, social, recreational and specialised Alzheimer services. The HSE and St. Michael's House always work in close collaboration with regard to the funding and delivery of services to people with an intellectual disability. As a voluntary agency, St Michael's House is obliged to work within the resources available to it and in that regard it has introduced significant efficiencies in recent years to remain within budget. The HSE has advised that these changes to date have not resulted in service contraction.

The Haddington Road agreement sets out measures relating to productivity, cost extraction and reform. Altogether these measures intend to achieve a required pay bill reduction of €150 million identified in the HSE service plan 2013. The agreement came into effect on 1 July this year and provides a framework and opportunities for managers within the health services, including agencies such as St. Michael's House, to reduce costs associated with agency and overtime and a wide range of other pay costs, especially through measures such as additional working hours and revised rates in respect of overtime.

The Department of Health understands that agencies such as St. Michael's House were requested to submit plans to the HSE outlining how it intended to achieve the necessary cost reductions in terms of the new consolidated pay scales and the additional hours available under the Haddington Road agreement without altering the level of front-line services to be delivered as agreed in the service arrangements.

The HSE has advised the Department of Health that the recent application of additional budget cuts under the Haddington Road agreement has presented a significant challenge to St. Michael's House. A process is now under way between the HSE and St. Michael's House to identify the impact of these budget reductions on services. The HSE and St. Michael's House have met several times and the Department of Health has received assurances from the HSE that both organisations are committed to working within the terms of the Haddington Road agreement to ensure services are impacted upon only as a measure of last resort. In this context, it is vital that all providers of disability services work creatively and co-operatively to

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ensure that the maximum level of services are maintained for service users within the funding resources available.

Deputy Thomas P. Broughan: The Minister of State's last paragraph is something that parents and families of the service users of St. Michael's House will be very concerned about. The Minister of State said that cuts to front-line services will only be a measure of last resort. However, everyone knows that many of the services provided by the organisation have been under huge pressure since the budget of 2009 and that there is no more to give, no more than in any other part of the health system. The services have been cut to the bone and the Government is taking away services from people who need them. It is a horrendous situation that must be reversed.

The Minister for Health, Deputy Reilly, advised me in a letter that the HSE north-east division and St. Michael's House were working together to ensure services are not impacted upon. However, he gave no guarantee that there would be no further attacks on front-line services. Given the fact that almost 20% of citizens in the country with an intellectual disability are waiting for services from St. Michael's House, surely the Minister of State should give a commitment in the House today.

The recent cut of €1 million resulting from the Haddington Road agreement came in addition to the €12 million in cuts in previous budgets. Even with this, St. Michael's House has fully complied with attempting to meet the requirements of the HSE. The message I want the Minister of State to get on behalf of the service users is that the cuts are posing real challenges to the services that the organisation seeks to provide. It would be disastrous if, when Government Deputies will, perhaps, be cheering for one or two good things in the budget in a couple of weeks' time, we then see in the detail that further cutbacks are coming. What plans or proposals do the Minister, Deputy Reilly, the Minister of State, Deputy Lynch and the rest of the Department have to address the growing waiting lists for children and young adults who need the services of St. Michael's House?

Deputy Ciarán Cannon: The spirit underpinning and woven throughout the Haddington Road agreement is that we will try as best we can to work with fewer resources than we have worked with in the past on the basis that we continue to borrow €1 billion per month to run our country. We still have that deficit and it is piling up month after month upon the shoulders of the next generation.

Deputy Thomas P. Broughan: It is used to pay interest on bank debt that the Minister of State voted for.

Deputy Ciarán Cannon: That is only a tiny fraction of the €1 billion per month.

Deputy Thomas P. Broughan: That decision was rammed through this House by Fine Gael and Fianna Fáil.

Deputy Ciarán Cannon: Only approximately 13% is attributable to bank interest.

Deputy Thomas P. Broughan: No, it is not. All of it is attributable to the interest.

Deputy Ciarán Cannon: On that basis, it is incumbent upon all of us to approach the budgetary process in a responsible manner. The Haddington Road agreement suggests that all of us should work in as creative and innovative a fashion as possible to be able to re-engineer the

delivery of services such that we do not arrive at the point of requiring to take what the Deputy described as measures of last resort, that is, the point of impacting on front-line services. No one wants to arrive at that point. I am confident that with the process of engagement and collaboration that is ongoing between the HSE and St. Michael's House we will not arrive at that point. I believe the type of management, budgetary and human resources skills available in the upper echelons of management in the St. Michael's House organisation and the HSE will be brought to the best possible use to ensure that the front-line services are maintained while at the same time working within the resources that are allocated to St. Michael's House by the HSE.

Homelessness Strategy

Deputy Michael P. Kitt: I hope to have a full debate shortly when the Minister is available. Otherwise the Minister of State, Deputy Cannon, and I can have this debate at the Ballinasloe fair next weekend. The Government's policy statement from February 2013 declared, "It is the Government's aim to end long-term homelessness by the end of 2016". I fully support the statement but the chief executive of the Simon Community has said that the homelessness and rough sleeping crisis is worse than ever now. He said that we are in the worst of times and that the Government must decide its policy on housing because no one is building houses. He stated: "The homeless fella on the street can't afford private-rented accommodation. Rents are going up, rent allowance caps are coming down all the time, there's no extra accommodation being provided. It's a complete logjam".

I read a quotation in the newspapers yesterday to the effect that the number of people sleeping rough on the streets of Dublin has increased by 88% in the past year. I raised the matter with the Taoiseach yesterday in respect of promised legislation and he replied that the housing assistance Bill is due in early 2014. I understand there may further legislation as well and I am keen to know when it will be ready. The Taoiseach also remarked that the Minister of State, Deputy O'Sullivan, would be meeting NAMA concerning the potential of acquiring units of housing. Perhaps the Minister of State could give details of the meeting which, I understand, took place yesterday, and any steps to be taken to deal with this important issue.

In recent weeks I attended the launch of housing reports by the Peter McVerry Trust and Focus Ireland. They outlined the challenges that are facing the homeless and the organisations themselves as well as raising the issue of youth homelessness. I understand the Minister for Children and Youth Affairs is reviewing a youth homelessness strategy and I seek information on that as well. There is an issue of oversight. The Minister has appointed an oversight group which was established to monitor and measure progress. This is an urgent matter and it needs an urgent response.

Deputy Kevin Humphreys: I express my disappointment that neither Minister was available to take this urgent debate today. The figures published by the Simon Community earlier this week are a cause of concern. They show an increase of 88% in the number of people sleeping rough in Dublin city centre. There are reports that capacity for short-term crisis accommodation has been reduced and that social housing units are not being turned over quickly enough. One of my primary concerns is that buildings which have been bought to provide accommodation for the homeless are not being used. The Minister of State may be aware that I raised this issue in February this year. I pointed out that Dublin City Council spent €7 million on the former Longfields Hotel, off Baggot Street, which has lain empty for six years. This was

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highlighted by Ursula Halligan on the TV3 news, but unfortunately there has been very little movement. It is unacceptable for large amounts of money to be spent to provide much-needed accommodation in this area only for it to be left idle. Longfields Hotel may well be just one of many. While the Minister of State is committed to the long-term strategy to eradicate homelessness by 2016, swift action must be taken now as winter approaches. In my home area of Ringsend and Pearse Street, more than 100 city council social housing units have been empty for anything between six months and two years. These could be turned around swiftly to get people out of temporary and short-term accommodation. It is completely unacceptable that such homes are lying empty and that potential homeless shelters are not being used. I urge the Minister of State to take immediate action by discussing this issue with his colleagues, given the absence of the Minister, Deputy Hogan. They should call in the relevant city and county managers to consider a mechanism to deal with this problem swiftly before the onset of winter.

Deputy Dessie Ellis: Homelessness is one of the biggest crises facing us today. Approximately 5,000 people are homeless and according to Focus Ireland, seven new people report each day. This is an increase of 88% in rough sleepers. In addition, there also has been a huge rise in the number of people using the homeless services provided by the Peter McVerry Trust, Simon and Focus Ireland. This year there was a cut of €4.5 million, or 10.7%, in the Dublin homelessness service's budget. Only a tiny number of new public social housing units are being delivered and approved housing bodies are struggling to find credit. At present, 100,000 people are in mortgage distress and approximately 29,000 are in rent-to-buy schemes. These figures can be combined with the 112,000 people who are on the housing waiting list and if one considers those in the rental accommodation scheme, RAS, or in receipt of rent supplement, a further 110,000 are not properly housed. Recent cuts to rent supplement have added to the threat of homelessness and, in addition, some landlords under RAS have been seeking to take back properties even though contracts are in place. The local authorities cannot cope with the numbers and are even suggesting to people that they should report to its homeless section.

While it is a terrible tragedy to lose one's home, to end up in a bed-and-breakfast or homeless shelter with one's family, away from services and community support such as schools, compounds an already tragic situation. The Government made quite a fanfare of rededicating itself to a deadline of ending long-term homelessness and rough sleeping by 2016. I have welcomed this, as it is a realisable goal and a good target to set. It should be a priority for the Government to do so. While this may be a priority for the Minister of State, Deputy Jan O'Sullivan, it certainly is not for the Government at large. All the major players in tackling homelessness agree the solution is a political one, which requires political will and the dedication to put funds where they are needed. Allowing homelessness to spiral further out of control is more costly in the long term than dedicating funds to reach the target set for 2016. The Minister of State has rightly referred to a housing-led approach but this does not appear to be the course being followed, certainly not in a sustainable fashion that meets the needs of those emerging from homelessness.

Deputy Ciarán Cannon: Unfortunately, the Minister of State with responsibility for housing and planning, Deputy Jan O'Sullivan, is not available to take this debate today but has asked me to thank the Members for providing this opportunity to discuss the issue of homelessness and the Government's response to it. Dublin Simon has reported through the national media that 85 people were sleeping rough in Dublin city centre on 3 September 2013. This figure is comparable with the count of rough sleepers conducted in April 2013 and organised by the Dublin region homeless consultative forum, which found that 94 persons were confirmed as

sleeping rough on the night in question. These rough sleeper figures indicate the significant challenge in dealing with the complexity of the homelessness issue and the difficulties in finding answers to it.

Rough sleeping is monitored closely countywide, but particularly in Dublin. The problem of rough sleeping is limited outside Dublin, as Cork, Waterford, Limerick and Galway city councils have reported sufficient bed capacity on a nightly basis and that no one was sleeping rough due to lack of a bed. The Dublin region's outreach team works on an ongoing basis to engage with all individuals sleeping rough with the specific goal of moving people into accommodation through Dublin City Council's central placement service. Dublin City Council commenced a public awareness campaign earlier this week to allow members of the public to contract the outreach team about people sleeping rough with a view to moving people into temporary accommodation and on to independent living.

The priority of the Government, as has been identified by the Deputies opposite, is to ensure that homeless people have access to secure, stable and appropriate accommodation. It is not acceptable that people should sleep on the streets of our cities and towns, and while the immediate hardship of sleeping rough may be solved through emergency accommodation, this is not a viable long-term solution. The recently published homelessness policy statement outlined the Government's aim to end long-term homelessness by the end of 2016. I assure Deputy Ellis that in setting out her ambition to end homelessness by 2016, the Minister of State, Deputy Jan O'Sullivan, has the full support of the Government in meeting that target. The statement emphasises a housing-led approach, which is about accessing permanent housing as the primary response to all forms of homelessness.

The availability and supply of secure, affordable and adequate housing is essential in ensuring sustainable tenancies and in ending long-term homelessness. While it is clear that a proportion of funding must be used to provide sufficient bed capacity to accommodate those in need of emergency accommodation, it is equally important that resources be channelled to deliver more permanent responses in a more focused and strategic way. In the Dublin region in 2012, 879 people moved from homelessness to independent living. A set of indicators is now being used to demonstrate the dynamics of homelessness as it is addressed across the country. These indicators will give a clearer picture of homelessness in Ireland and, in quantifying its ongoing extent, will support the introduction of realistic and practical solutions. As part of the new arrangements for funding housing authorities in dealing with homelessness in 2013, reports on indicators are being provided to the Department of the Environment, Community and Local Government.

Deputy Michael P. Kitt: First, I note that COPE Galway, the organisation dealing with housing in Galway city, has stated that Galway's homeless are so for longer than they should be. However, it is not as serious a problem as it is in Dublin and that is the reason I concentrated my remarks on Dublin in particular. The Minister and the Department should consider the question of who conducts the weekly street counts on the number of people sleeping rough in the city centre area in particular, because the Simon Community has stated that the figures could be higher, as the count does not include the hidden homeless who stay in hospitals, Internet cafes and squats. The answer to the question I put to the Minister is that perhaps we do not know the real figure for homelessness. This is the reason I noted at the outset of my contribution that a longer Dáil debate on this issue is needed. The time available to raise a matter in a Topical Issue debate is very short, but this is a major problem for families and the organisations that deal with the homeless. Perhaps the Minister of State might indicate whether the oversight group

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established by the Minister to monitor and measure progress has come up with any suggestions as to what might be done. He might also deal with the question of youth homelessness, which is a serious matter.

Deputy Kevin Humphreys: While this is a short debate, Members should have that discussion in any event. Deputy Ellis and I work in similar communities and I consider the homeless count to be merely an indicator. On a daily basis, homelessness is a far bigger issue than the number of people who are sleeping rough. I have encountered people who are sleeping on their friends' floors and who move around either weekly or daily. As for the complications of even getting onto the homeless list, one will see a queue of people outside Dublin City Council's homeless section. In addition, the hostels are overcrowded. From my experience, homelessness certainly is far more widespread than can be encompassed by counting the number of people who are sleeping rough. This issue must be tackled. I came through the city council and both former councillor Ellis and I probably could wallpaper our homes with the number of reports, strategies and everything else that has been produced. Had the money that was spent on those reports been spent on providing housing units, we might not be in this crisis. We need a wider discussion on this. Perhaps the Minister of State will refer this back to the Minister of State, Deputy Jan O'Sullivan, and the Minister, Deputy Phil Hogan, and get them to bring it back to the committee. Let us have a wider discussion on this. I am sick to my eye teeth and my heart is broken dealing on a daily and weekly basis with young families, some unemployed and some in employment, who just cannot get a home of their own. They might not show up in the figures for the homeless on the streets, but the problem is growing. The rough sleeping count is only a symptom. Let us get down to dealing with the real problem. As I said earlier, I represent a city centre constituency in which I can point to nearly 100 social units that have lain empty for between six months and two years. That is totally unacceptable. We, the Government and Parliament, must get to the root cause of this.

Deputy Dessie Ellis: Since 2008 there has been a cut of almost €1 billion in the housing budget. The National Asset Management Agency, NAMA, has only delivered 400 units. Next year, Dublin City Council will only build 18 houses, aside from the regeneration projects. This is an absolute tragedy. Local authorities are unable to turn over their properties because they do not have the money to do so. Where will we get the housing? A housing-led approach is one thing, but we need housing to adopt that approach. That is the problem. I have been dealing with people who are losing their houses because the banks are seeking to repossess them. They come from different parts of the country and they are being told that they must put themselves in a homeless situation. That is happening more often.

Time and again Deputy Humphreys and I have been told about solutions to homelessness and have seen documents produced to solve homelessness. We could paper the walls with them. We must get real about this. If we do not build more social housing, we face a major tragedy. I cannot see how this figure can be reached in 2016 on the basis of what is being done.

Deputy Ciarán Cannon: I agree wholeheartedly that the number of rough sleepers is only a symptom, an indication of a far more deeply rooted problem. However, the fact that the number of rough sleepers is slowly but surely reducing gives some hope that the overall issue of homelessness is being addressed in a meaningful way. The fact that last year 880 people moved from homelessness to independent living is another very strong indication that this Government has every intention of meeting its aim to end long-term homelessness by the end of 2016.

Homelessness funding, at a time when resources are extremely limited, has been substan-

tially protected over the last number of years. This fact is important in the context of the wide-scale pressure for reductions in government spending across all Departments. The Department of the Environment, Community and Local Government has been overseeing State and local government expenditure exceeding €50 million per year in respect of the running costs of homeless facilities and associated services. There is also a considerable capital investment in homeless services on an annual basis. In addition, the HSE is spending over €30 million in respect of health and personal social care related supports.

The Government has every intention of meeting that target and the Minister of State, Deputy Jan O'Sullivan, has the full support of the Government in that regard. The significant improvements that have been made over the past 24 months are a strong indication that the Government will meet that target by 2016.

Ceisteanna - Questions

Priority Questions

General Practitioner Services

1. **Deputy Billy Kelleher** asked the Minister for Health the consultation his Department has undertaken with general practitioners in relation to the proposed introduction of free general practitioner care for under fives; and if he will make a statement on the matter. [40236/13]

Minister of State at the Department of Health (Deputy Alex White): The Government is committed to introducing, on a phased basis, a universal general practitioner, GP, service without fees within its term of office, as set out in the programme for Government and the future health strategy framework. It is a matter for the Government to determine policy in this area. There has been no Government decision at this stage on the details of the roll-out of a universal GP service, such as a proposal for a specific age cohort. When the Government has taken a policy decision in this area, I will engage with all relevant stakeholders, as appropriate, on the implementation and administrative arrangements.

The introduction of a universal GP service constitutes a fundamental element in the Government's health reform programme. The current Government is the first in the history of the State to have committed itself to implementing a universal GP service for the entire population. A well functioning health system should provide equal access to health care for its patients on the basis of health needs, rather than ability to pay. The principles of universality and equity of access mean that all residents in Ireland should be entitled to access a GP service that is free at the point of use. Universal access to GP care will facilitate the early identification of medical conditions, reducing the burden of illness, greater collaboration in the provision of primary care services, improved management of chronic diseases and will improve the delivery of essential health promotion and protection measures.

It has become clear that the legal and administrative framework required to provide a robust basis for eligibility for a GP service based on having a particular medical condition, as outlined initially in the programme for Government, is likely to be overly complex and bureaucratic.

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Relatively complex primary legislation and detailed regulations would be required to provide a GP service to persons on the basis of their having a particular illness. In my view, this would entail putting in place a cumbersome legal and administrative infrastructure to deal with what is only a temporary first phase on the way to universal GP service to the entire population.

The Government is firmly committed to introducing a universal GP service within its term of office. The Cabinet committee on health has discussed the issues relating to the roll-out of the universal GP service and has agreed that a number of alternative options should be set out with regard to the phased implementation of a universal GP service without fees.

Additional information not given on the floor of the House

As part of this work, consideration is being given to the approaches, timing and financial implications of the phased implementation of this universal primary care health service. A range of options are under consideration with a view to bringing developed proposals to the Government shortly.

Deputy Billy Kelleher: We have received no further information as to what is happening with regard to the roll-out of universal GP care. We were given a commitment that an announcement would be made at some stage after the summer regarding what would replace the original commitments in respect of long-term illness in the roll-out of GP care. What I find amazing is that it is two years into the Government's term of office and we are still waiting for a formal policy decision on how it will implement GP care and the pathway to universality by March 2016, which is when the Government's term ends. Even though the Government has not yet made a decision on how it expects to implement this proposal, it should be discussing how the roll-out would work with the GPs. The programme for Government states that there will be universality by the end of the Government's term of office. In that context, it is incredible that there have not been discussions with the GPs. I believe it is a delaying tactic, so the Government can say that it must now enter into discussions with GPs, which will take a protracted period of time as well. The Government could be doing this already in advance.

Deputy Alex White: I assure Deputy Kelleher there is no question of a delaying tactic in this regard. In fact, I discussed this matter with the Minister for Health as recently as this afternoon. We are actively considering this question in terms of the approaches, the timing and the financial implications of the phased implementation of the universal primary care health service. As I said previously, it must be seen in the context of the broader reform programme, including the roll-out and implementation of universal health insurance. The two go hand in hand. A range of options is under consideration with a view to bringing developed proposals to the Government shortly. We indicated before the summer that we would make announcements after the summer, as Deputy Kelleher said. At the risk of being facetious, it is still after the summer. We are working very actively on this question.

With regard to the Deputy's question about the GPs, we will discuss this matter with them. However, the Government will make the decisions. All Governments must operate on that basis. The policy decisions are made by the Government but the implementation and the roll-out will, of course, be the subject of discussions.

Deputy Billy Kelleher: Governments make decisions but the problem is that this Government has not made a decision. The only decision it has made is one of prevarication. It is now two and a half years down the road in respect of a major plank in this Government's commit-

ment to universality of primary care by the end of the Government's term of office.

Deputy Alex White: Will the Deputy support us on it?

Deputy Billy Kelleher: We would certainly like to see the proposals at some stage. In the broader context, it is incredible that the Minister has not sat down and discussed how the roll-out would work. Even if the policy decision relates to long-term illness or if the cohort involved is based on age, the reality is that the people who will be responsible for implementing the actual policy will be GPs. What will happen is that the Government will hopefully make a decision at some stage and it will then enter into major discussions with GPs during the following six to 12 months in the interests of having that decision implemented. We are aware of one fact, namely, that the Government is committed to introducing free GP care for everybody by 2016. In the meantime, the Minister of State should be discussing this issue with GPs and putting in place the necessary supports to allow them to deliver on whatever decision is made.

Deputy Alex White: When decisions were made a decade ago in respect of the over 70s, I do not believe the Government of the day consulted GPs as to whether it should make the relevant policy choice.

Deputy Billy Kelleher: I am referring to the implementation of the policy.

Deputy Alex White: No Government would consult on such a policy choice. GPs and all other relevant practitioners are entitled to be involved in the discussions and, where appropriate, negotiations relating to the roll-out of any policy decision which affects them. However, policy decisions are a matter for Government and the Deputy can expect the relevant decisions to be brought forward in early course. I look forward to the support of Fianna Fáil in respect of universal access to GP care, particularly as I have never previously heard of that party advocating such care.

Symphysiotomy Survivors

2. **Deputy Caoimhghín Ó Caoláin** asked the Minister for Health the progress he has made towards providing justice and truth for the victims of symphysiotomy and, if he has had discussions with the Department of Justice and Equality, to now progress to enactment the Statute of Limitations (Amendment) Bill 2013; and if he will make a statement on the matter. [40227/13]

Minister for Health (Deputy James Reilly): I met the support groups representing the women who have been affected and afflicted by symphysiotomy on 1 August 2013 and informed them that a decision has not yet been made by Government on how to achieve closure on the issue. I proposed at that meeting that I would appoint a judge to engage with the women affected by symphysiotomy in order to explore all relevant issues. At the conclusion of that process, the judge will advise me on how the matter may be progressed. I will then be in a position to bring detailed proposals to Government. It is, of course, open to any woman not wishing to involve herself in that process to bring a claim through the courts. Any proposals brought to Government will also take into account the findings of the independent research report commissioned by my Department in respect of the practice of symphysiotomy in Ireland. The research process comprised two stages. The first of these involved an independent draft academic research report, which was based on an analysis of published medical reports and research. The second stage involved consultation on the draft report with patient groups, health professionals

and, in particular, the women who have experienced symphysiotomy.

As the Deputy is aware, the Private Members' Bill concerning the Statute of Limitations has been referred to the Select Committee on Justice, Defence and Equality. A date has yet to be scheduled for the taking of Committee Stage of the Bill. My officials will provide any necessary supports required from my Department in order to progress the legislation through Committee Stage.

My first priority is to ensure that the women who have had this procedure have their health needs comprehensively and professionally met. In this regard, the HSE provides a range of services to women who continue to suffer the effects of having had this procedure. These services include the provision of medical cards, the availability of independent clinical advice, the organisation of individual pathways of care and the arrangement of appropriate follow-up.

Deputy Caoimhghín Ó Caoláin: I welcome the fact that the Minister met representatives from the various groups campaigning on this issue on 1 August last. However, no real progress has been made in the intervening period. I welcome the Minister's statement to the effect that it is open to women to pursue the matter through the courts and that he is not seeking to corral them into accepting whatever formula he and the Government might wish to present in terms of redress. Nevertheless, the Bill relating to this matter, which I introduced in the House and in respect of Second Stage of which there was unanimous agreement on the evening of 17 April last, has not been progressed. I am greatly concerned with regard to what appear to be delaying tactics designed to prevent the legislation being addressed further in the House. On 16 April, during the debate on the Private Members' Bill in question, the Minister stated, "The Government is also committed to dealing with this issue with all the sensitivity which is undoubtedly required".

Legal firms representing 167 of the survivors wrote to the Minister on 14 March last seeking a response within a reasonable period of weeks. Some considerable time later, the Minister's private secretary issued a response indicating "Unfortunately, due to a very busy schedule of Government and Department business, the Minister regrets he will not be in a position to accede to your request". The purpose of the original letter was to initiate the Minister's engagement-----

An Leas-Cheann Comhairle: The Deputy is over time and I ask him to conclude.

Deputy Caoimhghín Ó Caoláin: -----towards an agreed settlement. Why will the Minister not meet the representatives of the survivors and seek to reach such a settlement with them?

Deputy James Reilly: I hope the Leas-Cheann Comhairle will afford to me a similar amount of additional time as that which he afforded to the Deputy. I wish to make it absolutely clear that we want to bring closure in respect of this issue for the women concerned who suffered as a consequence of the procedure involved. Long after the use of this procedure had been discontinued elsewhere, it continued to be employed in this country and, inexplicably, it was sometimes performed after a baby was born. There are huge issues for the women in question and we had a very good meeting with their representatives at which these were discussed. The women were very forthright in expressing their feelings and describing what they have been obliged to endure. One woman explained how harrowing it had been for her to go through the courts. Even though she felt she had an absolutely open-and-shut case, she found herself faced with the prospect of losing her home if she lost the appeal on a point of law. I do not want these

women to have to go through that.

I wish to place on record the fact that nobody will be coerced into any process. Those involved have a choice.

An Leas-Cheann Comhairle: The Minister should conclude.

Deputy James Reilly: I beg the Leas-Cheann Comhairle's indulgence, particularly as he was kind enough to offer some extra time to my colleague opposite. I wish to ensure that we will bring closure for the women in respect of this matter while ensuring that they endure the least possible amount of additional pain. I have asked the Attorney General to approach a judge on the matter and discussions are in train in this regard. We want to find the right person with the best experience. We cannot really seek anyone from the High Court because some of the cases may be heard in that court. We are, therefore, limited in terms of the range of people of whose services we might seek to avail. Nonetheless, I hope we will get the right person and that she or he - I hope it is a she - will be able to progress this matter further in the context of what will work - from the women's point of view - in the interests of bringing closure.

I appreciate the Leas-Cheann Comhairle's indulgence. I wish to make a key final point and I will then conclude. I want the money to go to the women who suffered, not to legal firms.

Deputy Caoimhghín Ó Caoláin: The evidence I have put on the record in respect of the two legal firms representing 167 of the women shows that it is not a case of those firms seeking to line their pockets with money. They are quite willing - they are absolutely enthusiastic in this regard - to negotiate an agreed settlement. They put that fact on the record and the Minister rejected the opportunity that was offered in his response to them. That response issued on the same day on which the Minister placed on the record of the House the very comments I quoted at the start of this exchange.

I met a number of the women during the summer months. They are good and decent people and they do not have the open choice the Minister states they have available to them in terms of having the courts address their issues. They are dependent on the processing of the Statute of Limitations (Amendment) Bill in order to give them the choice to which the Minister refers. I urge him to accept what they have said to me in this regard. One woman asked me, "How many surviving victims must die before the Minister and his Department act?" The women in general have also asked me whether the policy is one of delay until they all die. Those are their words, not mine.

Deputy James Reilly: In response to the Deputy's final point, I can categorically state that this is not the Department's approach and it is certainly not my approach nor that of my Government colleagues. I want to bring closure in respect of this matter. This is one of a myriad of legacy issues left behind by previous Governments and by Ministers who presided over the Department over which I now preside. We will deal with those issues seriatim or one by one. I want to find the best way, from the point of view of the women, to proceed. In order to do so, there is a need for interaction with an individual, preferably a judge - we are seeking a judge and we are in discussions with one at present - in the context of identifying how we might proceed. The individual in question will also make recommendations to us in respect of how we might expedite the issue. I do not want there to be any delays and nor do I want anyone who has suffered and who is currently with us to be gone by the time this matter is settled. I want this to be dealt with as quickly as possible.

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An Leas-Cheann Comhairle: The clock is a new addition to the Dáil. The Minister has two minutes and there is one minute for each question and reply. Like every referee, I will probably be accused of being fair or unfair. No referee gets it right all the time but I will do my best. When I tell Deputies their time is up, they can check it by looking at the clock.

Services for People with Disabilities

3. **Deputy Finian McGrath** asked the Minister for Health if he will provide an update on the crisis in disability services in St. Michael's House; and if he will make a statement on the matter. [40365/13]

(Deputy Alex White): St. Michael's House received more than €70 million in 2012 in funding from the HSE to provide a range of services to approximately 1,660 children and adults with an intellectual disability in more than 170 centres in the greater Dublin area and in Navan, County Meath.

The HSE and St. Michael's House work in close collaboration in regard to the funding and delivery of services to people with an intellectual disability. As a voluntary agency, St. Michael's House is obliged to work within the resources available to it and in that regard has introduced significant efficiencies over recent years to remain within budget. The HSE has advised that these changes to date have not resulted in service contraction.

The Haddington Road agreement sets out measures relating to productivity, cost extraction and reform which together intend to achieve a required pay bill reduction of €150 million identified in the HSE Service Plan 2013. The agreement provides a framework and opportunities for managers within the health services, including agencies such as St. Michael's House, to reduce their costs associated with agency and overtime and a wide range of other pay costs, in particular through measures such as additional working hours and revised rates in respect of overtime.

The HSE has advised the Department of Health that the recent application of additional budget cuts under the Haddington Road agreement has presented a significant challenge to St. Michael's House. A process is now underway between the HSE and St. Michael's House to identify the impact of these budget reductions on services. In this respect, I understand that the following are under discussion: St. Michael's House proposal of Sunday closing and revised transport arrangements are under consideration in consultation with those families who may be in a position to accommodate this; the HSE is unaware of any issues concerning respite; appropriate staffing levels and skill mix are under consideration in line with the Haddington Road agreement; and patient charges are being reviewed by St. Michael's House in line with national regulations.

The HSE is working with St. Michael's House and other service providers to fully address the needs of school leavers in 2013 by reconfiguring existing resources. The Department of Health has received assurances from the HSE that both organisations are committed to working within the terms of the Haddington Road Agreement to ensure that services are impacted upon only as a measure of last resort.

Deputy Finian McGrath: I thank the Minister of State for his response. I am glad he accepts St. Michael's House is experiencing major challenges in the current economic climate.

There is a huge crisis in regard to the services in St. Michael's House. All summer families came to my clinics and they have contacted me about day care services, transport issues and respite. They even contacted me from the constituency of the Minister, Deputy Reilly, because of the lack of services. The reality is that €12 million has been taken out of St. Michael's House services over the past two and a half years.

St. Michael's House has 1,663 service users and 454 residential places and those people are frightened. The parents of adults with severe physical and intellectual disabilities are worried about the transport issue in that they will not be able to get to their centres in the morning. Some parents have told me they might have to give up their jobs to try to facilitate their children.

The Minister of State spoke about productivity and efficiency. St. Michael's House has taken major cuts and has carried out reforms and has cut administrative costs by 34%. Absenteeism is down to 3.5%. It delivers an efficient service and yet the Minister has withdrawn money from it and now the services are in crisis.

Deputy Alex White: I cannot disagree with the Deputy. There are real challenges here. Everybody understands that and, as public representatives, we are all aware of the incredible work St. Michael's House does. In circumstances where costs are being reduced, no one can deny but there is an impact. As I said, the HSE is trying to ensure services are impacted only as a very last resort. A concerted effort is being made by all concerned, including St. Michael's House, to ensure we minimise the impact on services.

I accept the interest the Deputy has expressed in this regard. There are real challenges but they are being addressed in a sensitive way which ensures the undoubted reduction in finance has the least possible impact on services.

Deputy Finian McGrath: When dealing with adults with an intellectual disability, stability and routine are very important. When one disrupts that stability and routine in terms of services, it causes a huge crisis which is what the families have told me. I am disappointed the Minister of State, Deputy Kathleen Lynch, is not in the Chamber because disability is her specific reasonability.

The Minister of State mentioned the challenges, including the Sunday closing, which is a disgraceful cut. He also mentioned transport. Parents have been told to transport their children with physical and intellectual disabilities to the centres themselves which some cannot do.

We are coming up to the budget and I urge the Minister of State, Deputy White, the Minister, Deputy Reilly, and the Minister of State, Deputy Kathleen Lynch, to ensure disability services are top of the agenda. They promised they would protect the vulnerable and now is their opportunity to do so. I urge the Minister to listen to the parents and to look at the savings which have already been made by St. Michael's.

Deputy Alex White: I will take note of what the Deputy said in his rejoinder. The Minister of State, Deputy Kathleen Lynch, is genuinely indisposed on this occasion and no offence should be taken by the Deputy.

Deputy Finian McGrath: Okay.

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Home Care Packages

4. **Deputy Billy Kelleher** asked the Minister for Health if he will examine the possibility of introducing paediatric care packages for children with life-limiting conditions; and if he will make a statement on the matter. [40237/13]

(Deputy Alex White): The issue of the provision of home care packages for children with life-limiting conditions is complex, encompassing those requiring short to medium-term care, those with a disability requiring long-term care and also sick children for whom sadly there is no reasonable hope of a cure.

Palliative Care for Children with Life-limiting Conditions in Ireland – a National Policy, published in 2010, provides the foundation and clear direction for the development of an integrated palliative care service for children and their families across all care settings. Following its publication the national development committee for children's palliative care, NDC, was established by the HSE to oversee the implementation of the national policy. Membership includes statutory, professional, parent and voluntary representatives, including the IHF, LauraLynn and The Jack and Jill Foundation. The NDC has commenced working in partnership with these providers to develop a model for the provision of hospice at home care.

In 2012 the HSE spent approximately €8.58 million on home nursing for children with life-limiting conditions. It is widely acknowledged that this does not capture all relevant expenditure, which is significantly higher. Children with life-limiting conditions, in particular palliative care needs, are prioritised by the HSE. Every effort is made to provide care to the maximum extent possible, including home care for them and their families.

The HSE is committed to proper governance, that care provided is clinically sound and that those providing care are adequately trained. A suitable national programme of continuing professional education has been established in partnership with the HSE, IHF and Crumlin children's hospital. A working group has been established in HSE Dublin mid-Leinster to re-structure the financial system so that relevant expenditure is effectively accounted for. This will be replicated across all regions.

Eight children's outreach nurses are in place in throughout the country to facilitate a co-ordinated support structure for children and families. They will identify the needs of each child and link families to appropriate local services. The first consultant paediatrician with a special interest in paediatric palliative medicine has been appointed to Crumlin hospital and is available to provide an advisory service to other paediatric and maternity hospitals.

Deputy Billy Kelleher: I thank the Minister of State for his reply. Approximately 1,400 children have life-limiting illnesses in this country and approximately 340 die each year. Not enough is being done. If one was to be harsh and look at it from an accounting point of view, one would see it is a cost saving exercise. Providing palliative care and supports for children with life-limiting illnesses at home is a cost saving rather than having them in acute hospital setting. More important, allowing people to care for their loved ones at home in their own surroundings, with which they are most comfortable, is the right thing to do rather than have parents and siblings traipsing in and out of hospitals on a continual basis.

We have the expertise and competence. LauraLynn and The Jack and Jill Children's Foundation, to which the Minister of State referred, are two excellent organisations which provide

wonderful supports for people at home. We have the competence but what we need are the resources to establish a proper paediatric home care package.

5 o'clock

I urge the Minister of State to look on this matter from a human point of view and also as a solution to the budgetary position.

Deputy Alex White: When cost savings are required, they do not happen in disregard of the real needs of the people involved. That is particularly true in the case we are talking about. Of course resources are always a challenge. We all know the reasons they are a particular challenge at this time. The strategy that has been outlined is being brought forward. The appointment of the consultant in Crumlin is an important development. I think everybody has a commitment to this area. Everybody can see this is an area we need to attend to. I think the Deputy will accept on the basis of the initial reply that it is regarded by the HSE as an important area of work.

Deputy Billy Kelleher: I welcome the Minister of State's reply. The difficulty is there is often a disconnect between what is said here and what actually happens on the ground. The current position is that medical cards are being withdrawn from some of the sickest children in this country. Deputies on all sides of the House are raising this on a continual basis. The Minister of State has said there is a strategy in place for providing paediatric home care packages and supports to children with life-limiting illnesses, but the reality is that is not happening. Organisations like LauraLynn and The Jack and Jill Children's Foundation are being put to the pin of their collars as they try to raise funds, provide support and give people palliative care at home. The strategy sounds good, but we need the resourcing to fund 24 hour palliative care for children with life-limiting illnesses. This is necessary to allow them to live at home with their families in dignity. As I have said, it is a cost-saving exercise. It costs up to €150,000 a year to keep a child in an acute hospital setting. Palliative care at home can be provided to children for €16,000, with the rest of the cost being met with the support of LauraLynn and the Jack and Jill Children's Foundation.

Deputy Alex White: I do not know whether I can add too much to what I have already said. The initial question related to the introduction of paediatric care packages for children. The national policy is in place and is being implemented. This is undoubtedly an important issue. No one can disagree with the general thrust of what Deputy Kelleher has said. We are always trying to identify more resources as best we can. We understand the issue here. I think it is dealt with well and sensitively.

Non-Consultant Hospital Doctors Recruitment

5. **Deputy Caoimhghín Ó Caoláin** asked the Minister for Health the action he will take to ensure immediate progress in reform of hospital medical staffing and in our medical training and recruitment system to ensure compliance with the European working time directive for non-consultant hospital doctors, to recruit and deploy doctors in sufficient numbers and appropriate grades, including new grades as required, and provide a proper career path to guarantee safe practice, better working conditions and improved care for patients; and if he will make a statement on the matter. [40228/13]

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Deputy James Reilly: Ireland must have sustainable arrangements to train and develop the medical workforce we need to provide safe and effective services to our population. For that reason, I am committed to retaining in our health service doctors who are educated and trained in Ireland. I intend to do this by providing them with clear career pathways and appropriate working conditions. I think the lack of such requirements is one of the main reasons many of our young doctors are leaving. The Government is committed to achieving compliance with the European working time directive in relation to non-consultant hospital doctors by the end of 2014. At my request, the HSE established a national group earlier this year to bring an urgent focus to the implementation of the working time directive. This group has been working closely with hospitals. There has been progress on a number of interim targets relating to the number of doctors working more than 24 hours in a single shift and instances of doctors working more than 68 hours a week. I am confident that progress will continue to be made towards the objective of full compliance.

I welcome this week's decision by the Irish Medical Organisation to suspend its threat of industrial action by non-consultant hospital doctors. This followed last week's discussions under the auspices of the Labour Relations Commission. A further meeting of the parties is taking place today. I hope it will be possible to resolve the issues of concern in a way which does not involve disruption of services to the public. In July of this year, I set up a working group chaired by Professor Brian MacCraith, who is the president of Dublin City University, to carry out a strategic review of the medical training and career structure of non-consultant hospital doctors with a view to improving the retention of graduates in the public health system. In particular, I want the group to set out a clear pathway for training at every level from intern to specialist and to examine the potential for reducing the length of specialist training. I see this as a modernising initiative which is needed urgently. I have asked Professor MacCraith to provide an interim report to me by the end of November 2013 and a final report by the end of June 2014.

I am very keen for this matter to be resolved. I want to send a message to the young men and women who study hard to achieve high points in the leaving certificate, and who study so hard for a further five years at college to become doctors, that there is a future here for them. We need them and we value them. We should respect them. I certainly do, even if others have not in the past.

Deputy Caoimhghín Ó Caoláin: They certainly have my respect. We all welcome the fact that the strike action that was due to take place yesterday has been suspended or deferred. It is important that there has been engagement between the Irish Medical Organisation and the HSE. In his response, the Minister referred to "compliance ... by the end of 2014". Can he confirm that the HSE has agreed to a timetable for the implementation of the European working time directive, with compliance beginning from early January 2014? That date, which is a short number of months from now, is just after the start of the next rotation of junior doctors. Has the Department of Public Expenditure and Reform given a commitment to provide whatever resources are needed? We appreciate that resources will be needed in this situation. The Minister will certainly be very mindful of that in terms of the responsibility of his Department. Have commitments been made with regard to resources to ensure implementation of the directive?

Deputy James Reilly: In the past, everybody always looked to quantum of money and numbers of people. A change in the way we work is what is really required as we reform our health service. It should not be a question of asking people who are already working hard to work harder. It should be a question of asking them to work differently. I asked the HSE today why some model 4 hospitals - the big hospitals - have nine nurses for every health care

assistant, while other hospitals of model 4 size have 2.8 nurses for every health care assistant. Non-consultant hospital doctors are being asked to do a great deal of work which they should not be doing and which could be done by others. The hospital groups will help in this regard. I want to put it on the record of the House that we have made considerable process in relation to this. No non-consultant hospital doctor now works more than 68 hours. That was our initial focus. I am not sure we are 100% there yet, but we are working towards that and on ensuring no shifts exceed 24 hours.

Deputy Caoimhghín Ó Caoláin: I welcome the Minister's acknowledgement that we need to address some of the core issues here, including career path issues. Does the Minister accept that the virtual crisis situation with junior doctors has continued year after year? Does he agree that fundamental reform along the lines of what he indicated at the outset of his reply is long overdue? The elements of reform are well known and were set out in my question. Can the Minister tell us whether he is making progress with the new grades that are required, or with the necessary increase in the number of consultant posts? He referred to those who achieve the highest performance rates in the leaving certificate. What is he doing to open medical training to more of our young people and not just those from privileged backgrounds - I do not suggest that all medical students come from such backgrounds - or those who attain 600 points in the leaving certificate? I have seen the great disappointment of young people who have done exceptionally well in the leaving certificate but have been excluded from these requirements even though they have the necessary attributes to prove to be among the most caring and dedicated of doctors in the future.

Deputy James Reilly: Of course education is a matter for the Minister for Education and Skills. While no system is perfect, the leaving certificate is about the most transparent and fair system we have. I have already placed on the record my distaste for the health professions admission test. Its introduction has led to the development of a new industry that involves educating people in how to pass the test. It has been proven that people who have failed the test have subsequently passed it after going away and doing a course. It is not really doing what it is supposed to do in terms of testing aptitude in a genuine fashion.

I want to give the House some positive news. There are an extra 200 non-consultant hospital doctors since this Government took office. The Deputy asked about consultants. There are another couple of hundred of them as well. Overall medical manpower has increased by approximately 420. According to a 2009 survey, non-consultant hospital doctors worked an average of 60 hours a week. HSE data from 2012 indicate that non-consultant hospital doctors work an average of 54 hours a week. There will be exceptions because these are average figures. Data for the first six months of 2013 show that there has been a further reduction to 52.4 hours per week. The percentage of non-consultant hospital doctors working shifts in excess of 24 hours decreased from 58% in March 2013 to 24% in August. Further progress needs to be made. We are very pleased to be co-operating with the IMO and NCHDs in this regard. I want to address the other issues that affect them in terms of the lack of a career path.

Deputy Caoimhghín Ó Caoláin: Would the Minister create a new grade to help their career path structure?

Deputy James Reilly: No, I did not say that. I want to shorten their training. I do not see why one can become a fully trained specialist in Australia in six years and yet it takes, on average, 12 years here. That is not acceptable and is not fair on people. It strikes me that we have many people who are very experienced at a lower grade doing an awful lot of the work when

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they should already be in that specialist grade and out there as specialists. That is what I want to see.

Other Questions

Non-Consultant Hospital Doctors Working Conditions

6. **Deputy Dara Calleary** asked the Minister for Health the way in which he proposes to improve the working conditions of non-consultant hospital doctors; and if he will make a statement on the matter. [39992/13]

7. **Deputy Terence Flanagan** asked the Minister for Health the steps he is taking to deal with the shortage of non-consultant hospital doctors; and if he will make a statement on the matter. [39925/13]

37. **Deputy Brian Stanley** asked the Minister for Health the reforms being undertaken to address the underlying causes of the junior hospital doctors' dispute; and if he will make a statement on the matter. [40045/13]

58. **Deputy Thomas Pringle** asked the Minister for Health the direct involvement he has had with the IMO to resolve the dispute with the non-consultant hospital doctors over the implementation of the European working time directive; and if he will make a statement on the matter. [40061/13]

265. **Deputy Bernard J. Durkan** asked the Minister for Health the extent to which it is expected to be in a position to meet the concerns of junior hospital doctors in the context of the working time directive; and if he will make a statement on the matter. [40300/13]

Deputy James Reilly: I propose to take Questions Nos. 6, 7, 37, 58 and 265 together by agreement. These questions point in the same direction. As I said, Ireland must have sustainable arrangements to train and develop the medical workforce we need to provide safe and effective services to the population. I am committed to retaining our doctors. I find it disturbing that we train some of the brightest and best in this country who go abroad and prove they are the brightest and best working in some of the finest institutions and excelling all over the world. Meanwhile we go around the Third World taking doctors from its countries to buttress the service here. Having been a doctor, I believe it is very good that people go abroad and come back and that we should encourage exchanges of that nature. However, the manner in which it is operating at the moment is not acceptable to me. Like so much else in the Department of Health and the health service, it was allowed to evolve chaotically. What we are trying to do now is use this opportunity, which is a huge challenge, to fix something that should have been fixed years ago and that gives people a proper, clear career path in respect of their future.

One thing that is lacking and that I want to address is the area of final year medicine and having a mentor to advise one about what career path to take within medicine because it has so many different aspects and different careers suit different people. They do not get any mentoring. They finish, qualify and celebrate and then suddenly they are an intern and it is a case of

“what am I going to do next? Do I go into surgery? Do I go into anaesthetics?” There is no formal advice available and there should be and I want that addressed as well. I am sure Professor MacCraith will provide that in his interim report. He will give me a final report later next year.

I have met with Commissioner Andor on a number of occasions in respect of the European working time directive and have given him a detailed plan and timelines as to how we are going to address this issue. There is no question that it will be a real challenge. As I said in my earlier answer, it is clear that a whole range of issues need to be addressed to resolve this issue. It is about the type of work they are doing, the numbers and the way they have been rostered in the past. I know that rosters have been drawn up by senior medics that the NCHDs could improve on massively when they look at them in terms of making their lives more bearable and livable. Sometimes, there has been real reluctance on the part of people to change purely because it is change. Change is challenging but we must all grasp and embrace it or we will end up with these recurring problems that we should not have.

The HSE established a national group to bring an urgent focus to implementation of the working time directive. I do not want to repeat all the issues I mentioned earlier. However, I note that progress has been made in the Labour Relations Commission to allow at least the deferral and suspension of the industrial action. I know that a number of further meetings will be necessary and I hope and encourage both sides to try to resolve this without impacting on patients.

With regard to the NCHD shortages, the overall position has stabilised since the last training rotation took place at the end of July and the majority of vacancies are now filled. However, challenges remain, mainly in smaller hospitals and in certain specialities, including emergency medicine, against an international shortage of doctors in these specialities. Where sites continue to experience challenges in terms of vacancies, hospital management implements contingency plans including revised rosters and where necessary, locum arrangements to ensure service delivery. System reform, in particular the implementation of the report on hospital groups and the framework for the development of smaller hospitals, will assist in achievement of a more focused and efficient deployment of NCHD staffing.

The other issue here is that we have a huge resource relating to teaching across our hospital systems and in primary care. We have not made as much use of that in the past as we could in the future so we will engage with the colleges to see how we can expedite that and make better use of the resources that are available to us.

An Leas-Cheann Comhairle: I will call Deputies in the order in which they are on the Order Paper - Deputies Kelleher, Terence Flanagan, Ó Caoláin, Pringle and Durkan.

Deputy Billy Kelleher: I thank the Minister for his detailed reply. We have had discussions about this issue in the Oireachtas Committee on Health and Children. We have heard from the Minister and representatives from the IMO and others. There is a clear wish for everybody to address this. I hope Professor MacCraith will come up with a strategy and plan and that resourcing will be put in place.

While we welcome the suspension of industrial action, the bottom line is that the HSE has been dragging its feet to a certain extent in addressing this issue. As the Minister quite rightly pointed out, this has been around for many years but it has been two and a half years since the Minister came to office and it seemed to take the threat of industrial action to concentrate minds,

particularly in the Department and the HSE, on addressing this fundamental issue. While Professor MacCraith will hopefully bring forward a pathway for non-consultant hospital doctors to find a career in which to specialise in their particular field, has the Minister assessed how many more non-consultant hospital doctor posts would be required to implement the working time directive in its entirety or is the Department still in that process?

Deputy James Reilly: We are still very much in that process because the answer to the question is contingent upon implementing the reforms. Going back to the key principle of our health policy, it relates to ensuring the patient is seen at the lowest level of complexity that is safe, timely, efficient and as near home as possible. That means we do not want consultants looking after patients who could be looked after by GPs, GPs or consultants looking after patients who could be looked after by nurses, nurses looking after patients who should be looked after by health care assistants and any of those groups looking after patients who should be looked after by allied health care professionals like physiotherapists and others. Unfortunately, because of the way the system has been allowed to evolve, if I as a GP want to get physiotherapy for a private patient without a medical card who cannot afford to go to a physiotherapist privately, I must refer him or her to an orthopaedic or rheumatology clinic. This is ridiculous because it is wasting the patient's time waiting for an outpatient's appointment at a clinic that I do not think they should go to, to move on to see the allied health care professional they need to see. We are putting in place ways of dealing with that. I will probably have to come back to somebody else on this.

Deputy Terence Flanagan: I thank the Minister for his response. The working conditions, the process involved in becoming a specialist and the pay rates mean that many Irish-trained doctors go abroad. It is not enough for us to compare the pay rates in other EU countries, we must compare our pay rates with other English-speaking countries. The threatened industrial action by junior doctors further undermines the attractiveness of working in Irish hospitals. I am glad that has been suspended.

Does the Minister believe that Irish medical graduates deserve a fair deal and realistic working hours? I know he has responded on this point but does he think it is acceptable that two thirds of Irish-trained doctors are going abroad and will not work in Irish hospitals? That is an investment of about €50 million per year in doctors' education which is leaving the country. It undermines the health service. While our doctors are out there supporting other health systems around the world, we are bringing doctors in from other developing countries.

Deputy James Reilly: As the Deputy points out, I share his concern and it is something I am determined to address. I am looking to NCHDs themselves in respect of the work being done by Professor MacCraith. I want to provide a safe place for them to speak. They are afraid to speak out because they will not get a good reference towards their next job. That goes on, and it is wrong.

I refer to pay rates. Let us be honest and straight about this and let me put this point on the record of the House today. I have been challenged for not tackling consultants' pay. We have tackled it. We have reduced the starting pay by 30% - it is now €116,000 to €121,000 per year. Some would say this will mean consultants will not stay in this country and will go elsewhere because we are paying less than the other English-speaking countries to which the Deputy alluded. The nearest English-speaking country to us is across the water, in Britain, and the other jurisdiction, in Northern Ireland. There the starting pay for a consultant is £80,000, or approximately €100,000. The pay is quite appropriate. If we constantly choose to compare people's

pay in this country to that in the wealthiest countries in the world where the best people are, we will never get anywhere. Our country has a financial constraint; the money we are spending on our public service is borrowed and comes with terms and conditions. There is a new milieu and sadly we must all live in it for some time to come.

Deputy Caoimhghín Ó Caoláin: In the context of agreement being reached, will there be independent verification of the working time performed by junior doctors at our various hospital sites? How will that be confirmed? Will it be confirmed independently? What will be the knock-on effect of adherence to the requirements of the European working-time directive in respect of care of patients and the work-time commitments and responsibilities of other front-line health professionals?

Deputy James Reilly: A number of initiatives are on the way. One of my real complaints about the HSE when I was in Opposition was its inability, in spite of being a national organisation, to bring any uniformity of approach to matters. One found excellence in one hospital but this was not transferred across to other hospitals. It is not always appropriate that the same measures should work in every hospital but one that has worked very well in Tallaght Hospital was fobbing in and fobbing out, a measure that cut the overtime bill considerably. The Deputy can draw his own conclusions from that. That must be done. We must transfer work undertaken by NCHDs to other grades and allied professionals. We need the organisation of hospital services to be done in such a way that we can support the European working time directive.

I want to see a situation where doctors can have a career, a life and a hobby. Currently, that is not the case for some - that is wrong and must be addressed. I do not wish to turn this into a political punch and judy show but I must tell Deputy Kelleher that the last Government simply threw money at the problem rather than face it down and reform the system. That is what we are going to do now.

Deputy Billy Kelleher: The Minister used to criticise it every day for not giving enough.

An Leas-Cheann Comhairle: We are short of time. I call Deputy Pringle.

Deputy Thomas Pringle: Question No. 58, does not relate to working conditions or the conditions of non-consultant hospital doctors, their career paths or anything else in that line so I wonder why it was grouped with these questions. My question relates to the Minister's involvement in the dispute since the IMO balloted for industrial action. Much has been made in this House by the Minister about his taking back responsibility into the Department. He has said that the buck stops with him in terms of responsibility for the operation of the health services, the changes that have taken place within the HSE and the abolition process in that regard. Why did it go down to the wire, to the last minute, for interaction to take place with the doctors in this dispute? I welcome that industrial action has been delayed or postponed and I understand talks are talking place in the LRC today. However, the Minister should have acted long before without there being the need to take this to the wire, with consequent concerns being expressed in the wider community as well as among the doctors. That is a key point.

Deputy James Reilly: I am bemused. The reality is that, as Minister, I do not become directly involved in industrial disputes. The Department and the HSE handle these matters. If I have to become involved it is usually when matters have become extraordinarily serious and require direct ministerial involvement. I must put on the record of the House that I have done more in respect of this issue than any previous Minister by setting up the group in question at

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the beginning of the year in anticipation of this problem. The group was to address and work on the problem so that we would not have the situation we had some years ago when we had to undertake special recruitment overseas to bring in people. That is the first point.

Second, I refer to the group set up under Brian McGrath to create a clear career path. That is the first time this has been done, by involving the actual NCHDs so that they can get what they want from it. No disrespect to any particular group, but it is the interns, senior house officers and registrars who are not on the specialist training schemes. The SPRs are already on that scheme and their career path is clear for them. I want to retain as many of them as I can in this country. They also have an input but it is the lower grades, the younger doctors, that I want to see being sorted out so that they can stay here and continue to contribute to the land that reared and has educated them.

Deputy Bernard J. Durkan: I thank the Minister for his replies. I have raised this issue before with his good self and also with his predecessor because it has been on the cards for a long time. In the context of the present negotiations or previous discussions on the issue, has it been possible to determine whether any structure or arrangement can be entered into which would encourage graduates to take up their internship in Irish hospitals as opposed to going overseas? What is the extent, if any, to which other jurisdictions face and address these problems? Other English-speaking jurisdictions must have a similar problem. Having regard to what the Minister has just said, can he indicate whether non-English-speaking jurisdictions have a similar difficulty in observing the working time directive and keeping their graduates at home, given the Minister's statement that there would appear to be an attraction for doctors in serving their time in that capacity in their own country in the first instance?

Deputy James Reilly: As to other English-speaking countries I do not wish to denigrate any country. There certainly were big problems with this across the water in the UK but I do not know how much progress has been made in recent times. I am sure there has been considerable progress.

I believe this comes back to sentiment. Maybe I will be shot for saying this but judging by many of the doctors I have met I do not believe money is the over-riding issue for them, nor, to a lesser extent, are the hours although that is a real problem. What really drives them away is the lack of a clear career path and the lack of respect. They do not feel valued. They feel undervalued and underwhelmed by it all, having studied so hard to reach that zenith and have MB BAO BCH or LRCPSI after their names, only to find they are hit on all sides as to where they will end up. Some see themselves working extraordinary hours for long years, never having enough time to study and to progress, and they become burnt out. That is not something they are going to do so they will leave this country and go somewhere else where they can enter a training scheme today and know that in six years, as long as they work hard and get their exams, they will be specialists at the end of it. That is what I want for this country. Nor do I necessarily mean it should take six years - it should be five.

Misuse of Drugs

8. **Deputy Denis Naughten** asked the Minister for Health the reason for the delay in updating the misuse of drugs regulations to deal with the misuse of benzodiazepines; the timeline for the enactment of same; and if he will make a statement on the matter. [39927/13]

(Deputy Alex White): A draft Misuse of Drugs (Amendment) Regulations, which will amend the Misuse of Drugs Regulations 1988, was prepared in my Department following a consultation which took place with a wide range of stakeholders during late summer and autumn 2012. Amendments proposed include the introduction of measures to address the problem of the illicit trading and supply of benzodiazepines and z-drugs, which are prescription medicines, and other updates to the Misuse of Drugs Regulations. The proposed draft regulations constitute a major amendment to the Misuse of Drugs Regulations.

In order to obtain input from stakeholders and interested parties on the text of these draft regulations prepared following the 2012 consultation, a further consultation process was carried out during the summer. The proposed amending text and an explanatory document were published on my Department's website, inviting written submissions. The deadline for submissions was Friday, 6 September 2013. More than 90 such submissions have been received and are currently being reviewed by my Department.

Arising from the consultation process, the Draft Misuse of Drugs (Amendment) Regulations will be submitted to Government seeking the Government's approval to notify the draft regulations to the EU Commission and member states under the technical standards directive. At the end of the three month EU notification period, the Government's approval will be sought to make the relevant orders.

It is anticipated that the new regulations will be introduced early next year.

Deputy Terence Flanagan: I thank the Minister of State for his response. Mr. Basil Miller, director of communications at the Wellbeing Foundation, stated in 2011 that 95% of patients are being given antidepressants contrary to guidelines. That equates to roughly €55 million per year which is paid out by the HSE for antidepressant drugs for patients who would be better off on treatments other than medication. There are savings to be made here as we come towards the budget.

The Department of Health has promised to address the issue of over-prescribing, but it does not seem to be happening. When exactly next year will we see regulations in this area? Not only is it costing the health service money, but it is costing lives. Prescription antidepressants are freely available on the streets in Ireland and this is delaying important treatment for vulnerable people, which can only lead to self-harm and death.

Deputy Alex White: The issue the Deputy raises is related to this question, although it has a slightly different focus. The focus of Deputy Naughten's question was on the misuse of drugs regulations and the increasing problem of the availability, literally on the street, of prescription drugs, many of which are antidepressants and drugs prescribed for anxiety. Deputy Flanagan is correct to link that with what he claims is the practice of over-prescription, especially in the treatment of anxiety and depression. While the issues are linked, they are not precisely the same and there is an onus of conscience in the HSE and on the part of policy makers generally in respect of prescribing strategies. We have taken this on board in the area of prescribing in general, and not just in the area of prescribing and depression, so we can ensure that appropriate prescribing strategies are applied by the medical community. We rely on the professionalism of our doctors in huge measure, and that has always served us well, but I will take into consideration the points made by the Deputy.

Deputy Caoimhghín Ó Caoláin: Is the Minister of State aware of the study by the Na-

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tional Documentation Centre on Drug Use which was published last year under the auspices of the Health Research Board? It found that 49% of opiate-dependent clients surveyed had reported using non-prescribed benzodiazepines in the previous month. The greatest number of these are former heroin users who are on methadone, but this clearly demonstrates either over-prescription of these drugs, which are being sold on by those for whom they were prescribed, or that these drugs are being wrongly prescribed so that people have them to pass on, which they are clearly doing.

The authors of the report recommend a more formal and active assessment of the needs of clients on methadone treatment and rapid access to evidence-based treatment for benzodiazepine misuse. Will the Minister of State adopt these recommendations, or has he already investigated the implementation of the recommendations of that report?

Deputy Alex White: The Deputy raises a very good point, which was precisely the motivation for the consultation process and the intended introduction of these amended regulations. The Deputy is absolutely right; this is an increasing problem. There is poly-drug use, such as combinations of benzodiazepines with methadone or alcohol. It is a major new challenge in this sector and something with which we are only beginning to get a grip. We understood the drugs problem in Dublin to be the heroin problem, but it has a different dimension now and the Deputy has touched on that in large part. Many of the recommendations to which the Deputy has referred are actually in the draft regulations that I proposed and hope to introduce next year. I do not have time to go through them right now, but they include issues such as unauthorised possession of benzodiazepines, controls on the licences for importing and exporting them, and stricter prescribing and dispensing rules. There is a list of recommendations, all of which I hope to include in these regulations.

Medical Card Numbers

9. **Deputy Micheál Martin** asked the Minister for Health the number of medical cards that have been withdrawn in 2013; and if he will make a statement on the matter. [40013/13]

(Deputy James Reilly): The number of cards that have been issued following review and the number that have been withdrawn is not readily available in the format requested by the Deputy. Details of the number of medical cards and GP visit cards are provided to my Department each month by the HSE. These figures are currently provided on a net basis, showing the balance after new cards have been issued and other cards, as appropriate, have been deleted from the executive's database - for example, following a review of a person's circumstances. The most recent figures provided to my Department by the HSE reflect the position as at 1 September 2013 and show 1,863,062 medical card holders and 124,361 GP visit card holders.

Deputy Billy Kelleher: There is no point in beating around the bush here. There has been a change in the policy for awarding discretionary medical cards. Every Deputy in this House is inundated with people who historically had been awarded a medical card based on health needs on a discretionary basis. I accept that there is no change to the guidelines, because there are no guidelines on discretion. However, the evidence shows that the number of medical cards awarded on discretionary grounds has been reduced dramatically and is now under 59,000. There has been a continuous pretence that nothing has changed, but something must have changed because we have reduced the number of medical cards by such a large amount.

I would like to quote from an article in *The Irish Times* today about the Ombudsman, Ms Emily O'Reilly:

[The Government] also had an absolute right to govern, she said, and if it wanted to get rid of schemes that was its right. "But what is not right is if they are not clear and open and honest in relation to what they are doing."

There is a problem, because people who are very ill and who are the sickest in our society cannot access medical cards on a discretionary basis.

Deputy Alex White: The departing Ombudsman also said that her officials' examination of complaints about the removal of discretionary cards showed "nothing substantial had changed in relation to the regulations that applied." The report went on to state the following:

In the past, in situations where a person's income was above the threshold, appeals officers looked at other factors, such as their level of illness or need for equipment or medication, she said. Now people are being denied cards where their income exceeds the limit.

In fact, that is not the case. Precisely the reason for having a discretionary medical card regime is that we are not confined to allocating medical cards to people who come within income limits. That is what a discretionary card is. If somebody comes within the income limits, they get the card. There is no issue about that. The discretionary card only goes to people who are above the limits. That is what it is for, and it is being implemented.

Deputy Billy Kelleher: We can debate this forevermore, but there are now fewer discretionary medical cards out there than was previously the case. At one stage, 80,000 medical cards were given out on a discretionary basis, but that is now down to 59,000. Clearly, there has been a tightening of the discretionary award. I believe this is purely a budgetary exercise, because the fact is that these were given to the sickest people in our society. The HSE has decided to withdraw them as a cost saving measure because they are the medical cards that are most expensive to the State. It is a cynical exercise and we see it time and again. Deputies from all sides are inundated in their offices every week by people who are very ill. One example is a person with motor neuron disease and a child with Down's syndrome and other complications who had a medical card that has been withdrawn. That is happening wholesale and the Minister of State cannot deny it. The pretence that there has been no change in the awarding of discretionary medical cards is quiet bizarre. It is unacceptable that the Members opposite pretend there has been no change. There has been no change. Discretion is being used and they are deciding not to grant the cards.

Deputy Simon Harris: On the question of medical cards being reviewed and potentially withdrawn, I wish to draw to the Minister of State's attention to an issue that some farmers are experiencing. They have an income level whereby they are not eligible for tax, yet the HSE demands that they produce audited accounts. It is demanding a higher burden of proof than Revenue does. Will the Minister of State investigate this matter with a view to the HSE and Revenue sharing information? Some low-income farmers must incur accountants' fees just to qualify for medical cards to which they are already entitled.

Deputy Caoimhghín Ó Caoláin: No matter what effort the Minister of State may employ, he cannot discount the fact that there has been a reduction in the number of discretionary medical cards. The Minister acknowledged it during his last engagement with the health committee when he stated that discretionary cards were no longer being granted to cancer patients in the

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same way as previously. Ms Laverne McGuinness, a senior representative of the HSE, also admitted that the number of people on discretionary medical cards had decreased. How does the Minister of State square the circle? The reality is that we are dealing with people who are victims of the new assessment, policy or whatever. People are suffering the loss of medical cards on which they depended. We want to see those cards restored.

Deputy Alex White: At the risk of irritating the Deputies with repetition, it has never been the case since 1970 that the law provided for the allocation of medical cards to persons on the basis of illness. Discretion does not suggest that someone must have the card. It means that someone must apply a particular assessment to a situation. This is what we are doing. It was centralised two years ago. We have not denied the change in the numbers. There is no pretence - the numbers are the numbers. We have given all of the numbers. Indeed, I have provided numbers for 1 September to the Deputies. All of the facts are before the House, as is proper. The Deputies will also be aware that there has been a significant increase in the number of medical cards in the system generally. It must be acknowledged.

I will consider Deputy Harris's point. I do not disagree with it, but the extent to which we have information and clarity from Revenue, the HSE or otherwise to ensure that the system works is an advance, not the opposite.

Health Insurance Prices

10. **Deputy Bernard J. Durkan** asked the Minister for Health the extent to which he and his Department has monitored private health insurance costs; if any particular reason has been identified for increases in such premiums; if he is satisfied that the principle of community rating continues to exist; if private health insurance costs increases have been associated with any particular section in the health service; if particular changes are envisaged which might go some way towards stabilising private health insurance costs in general; and if he will make a statement on the matter. [40056/13]

Deputy James Reilly: I have consistently emphasised the vital need to address the rising cost of private health insurance and the necessity for all private health insurers to address their cost bases aggressively. Last year, I established the consultative forum on health insurance to generate ideas to address health insurance costs. During the summer, I appointed an independent chairperson, Mr. Pat McLoughlin, who will work with my Department and the insurers on a review process to give effect to real cost reductions in the private health insurance market. I want all insurers to address the base cost of their claims and to see all procedures provided in an appropriate and safe health care setting.

The Health Insurance Authority, the independent statutory regulator of the private health insurance market, recently provided my Department with information on claims costs in the private health insurance market. Almost €2 billion was paid in claims by private health insurers in 2012. Some 46% was paid to private hospitals, 27% to public hospitals, 20% to consultants and 7% mainly for outpatient benefits. The average claim per insured person increased by 12.6% per annum between 2008 and 2012, largely as a result of increased usage of hospital services, with insurers attributing premium increases to increased claims costs and ageing memberships. Clearly, increases of this magnitude are not sustainable.

Community rating is a fundamental cornerstone of the private health insurance system, but

it is under pressure from the market segmentation strategies being used by insurers as they seek to minimise their risks by trying to enrol younger, healthier lives. The Government is committed to the principle of community rating and, in 2012, clearly demonstrated this by introducing a permanent scheme of risk equalisation. The new scheme, which took effect from January 2013, is an essential support to community rating, providing a cost subsidy from the young to the old and from the healthy to the less healthy. The continued participation of younger customers in the market is clearly important and is one of the issues that the consultative forum is actively considering.

Work on these issues is progressing and I welcome the positive engagement by the private health insurers in the process but we need more robust audits. We have started that process with the VHI. Indeed, a large private hospital in this country - I will not say where - needed to repay €5 million. Another case saw €7 million being returned by doctors.

Deputy Bernard J. Durkan: I thank the Minister for his comprehensive reply. Concerns have been expressed by many of those who have faced gradually increasing health insurance premiums in recent years. In their heyday, they contributed equally and reliably to the system when it was less competitive and provided better value for money. They did so in an economic environment in which they often paid as much as 17% interest on their mortgages, etc. I reject the suggestion in some quarters of the market that they are now a burden on the system.

Will the Minister indicate whether comparisons have been made with the system operating in the adjoining jurisdiction? Have people been subjected to the same increases? If not, how can the situation of Irish consumers be improved?

Deputy James Reilly: I am glad that the Deputy has raised this important issue. It is the third leg of the health stool - the Department, the HSE and the VHI - and is responsible for 80% of pay-outs. I am determined that we address the cost base. Why do we pay the same sort of money for a procedure that used to take two hours that now only takes 20 minutes? I discussed this matter with the VHI. After much pushing and shoving, it agreed to reduce the fee by as much as 20%. If there has been an 85% reduction in the time it takes, surely the reduction in the fee should be more than 20%. I intend to encourage the VHI to pursue these issues and to use clinical audits to challenge doctors about the necessity of the tests they are doing.

There have been double digit increases in health premiums in recent years, but we have kept the increase to 6% this year. Deputy Kelleher-----

Deputy Billy Kelleher: Some 3% is the straw that broke the camel's back.

Deputy James Reilly: -----is shaking his head. His Minister made a mess of the health service. I could tell the Deputy that I have been two and half years in the Department and that it takes longer to get things off the ground in health than in other Departments, but I will not, as that is what his leader, Deputy Martin, stated in 2002.

Deputy Michael McNamara: Hear, hear.

Deputy Billy Kelleher: It is taking the Minister a long time, too.

An Leas-Cheann Comhairle: I hope that everyone enjoys the weekend. The Ballinasloe horse fair is taking place and everyone is welcome to attend.

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Written Answers follow Adjournment.

The Dáil adjourned at 5.50 p.m. until 2 p.m. on Tuesday, 1 October 2013.