



DÍOSPÓIREACHTAÍ PARLAIMINTE
PARLIAMENTARY DEBATES

DÁIL ÉIREANN

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

Leaders' Questions	2
Questions on Promised Legislation	11
Topical Issue Matters	21
Ceisteanna - Questions	21
Departmental Offices	22
Brexit Issues	26
Cabinet Committee Meetings	29
Priority Questions	33
DEIS Review	33
School Transport Review	35
School Curriculum	37
Schools Mental Health Strategies	39
Third Level Funding	41
Other Questions	43
Schools Building Projects	43
School Transport Eligibility	45
School Staff	48
Schools Building Projects Status	50
School Transport Data	52
Departmental Budgets	52
Schools Mental Health Strategies	54
Special Educational Needs	56
Topical Issue Debate	58
Road Traffic Legislation	58
Respite Care Services Provision	61
Hospital Services	63
Tillage Sector: Motion [Private Members]	71
Communications Regulation (Postal Services) (Amendment) Bill 2016: Order for Second Stage	98
Communications Regulation (Postal Services) (Amendment) Bill 2016: Second Stage	99

DÁIL ÉIREANN

Dé Céadaoin, 18 Eanáir 2017

Wednesday, 18 January 2017

Chuaigh an Ceann Comhairle i gceannas ar 12. p.m.

Paidir.
Prayer.

Leaders' Questions

An Ceann Comhairle: In taking Leaders' Questions under Standing Order 29, I appeal to all Members to have regard to the clock and the allocated time. We went badly over time yesterday.

Deputy Robert Troy: In the past two weeks, numerous articles have been written in the press about the financial state of Bus Éireann, with losses of €6 million last year and projected losses of €7 million this year. While these losses are significant and unsustainable in the long run, services to people across the country should not be jeopardised. The semi-State company faults Expressway services for significant losses and is seeking to separate it from the rest of the firm. Bus Éireann contracted Grant Thornton to carry out a report on the losses and how they could be tackled. It seems the Minister for Transport, Tourism and Sport, Deputy Shane Ross, and the Government are accepting that it is inevitable that there will be cuts to routes all over the country and cuts to overtime for staff which, in itself, will lead to a reduction in services.

There is no quick fix for this challenge, but there needs to be a constructive approach from all stakeholders, including the National Transport Authority, management, unions and the Government, regarding how services can be sustained into the future. The Grant Thornton report has been freely available since last week, yet the Minister, Deputy Ross, claimed he has not read it. In the interest of being helpful, I made a copy of the report I received and left it in the Minister's pigeonhole yesterday. How could he brief the Cabinet yesterday on a report that the Taoiseach claimed he had not received or read? The report recommended route closures across the country and job losses, and is generating real anxiety and worry across the country from people who rely on public transport.

The Minister seems to be ducking and diving from playing any role in how access to bus services will impact on the public. The Taoiseach and Government have a role to play.

Minister of State at the Department of Health (Deputy Finian McGrath): The Deputy is a great man for ducking and diving.

Deputy Robert Troy: The silence of the Minister, Deputy Ross, is truly deafening and is certainly unnatural for him. We read in the *Sunday Independent* how he chose to nitpick sloppy grammatical errors rather than discuss the actual content of the most recent road safety report at a time when the number of deaths on the roads is increasing. He seems unable to take ministe-

rial accountability seriously and has decided to revert to being a journalistic commentator and master of distraction.

Has the Minister not read the Grant Thornton report? What exactly did he brief the Cabinet on yesterday? Does he agree with the Grant Thornton report, which states that there are limited strategic reasons for the State to have ownership of a commercial bus business? There is a role for commercial activity in a regulated market, but will the Government stand by and allow commercial activity to cherry-pick lucrative routes and allow many regions, including the Taoiseach's area, to be deprived of public transport?

An Ceann Comhairle: Deputy Troy is new to this, but if everybody starts running over time in this way we will not be able to keep to the schedule.

The Taoiseach: I will abide by the ruling of the Ceann Comhairle. The Minister, Deputy Ross, is not responsible for what has happened. Bus Éireann commissioned a report from Grant Thornton into the circumstances and conditions that apply to the company. As I pointed out yesterday, the commercial arm of Bus Éireann, Expressway, is losing €6 million a year. That is the reality and it is a commercial problem.

It is important to note that those losses have not been caused by Government funding because Bus Éireann's PSO network is performing very well, financially and operationally. Last year it received €40 million in PSO funding, 17% more than in 2015. The PSO services carried almost 32 million people, an increase of 5% on the previous year. The new chief executive asked what the company needed to do in this regard.

The losses related to Expressway services, which compete with other operators. There has been very strong growth in the commercial bus market, with almost 23 million people using commercial buses in 2015. This growth has not been felt in the Expressway arm of Bus Éireann. As I stated yesterday, contrary to some reports a glut of new licences has not been issued in recent years. In fact, only eight licences have issued since 2011 while 11 applications were rejected. These changes to the bus market have seen some towns and villages lose services. However, some areas that lost commercial services have seen public service obligation services put in place by the National Transport Authority in recent years to ensure connectivity and that the people the Deputy referred to have a service.

The Minister, Deputy Ross, has already commented that, in the context of a decision to be made following discussions between management and trade unions in Bus Éireann, the National Transport Authority and the Government will see to it that services will be replaced if there is a reduction in them. This is not the first time this has happened. There is quite an extensive rural transport scheme in operation and the Government will see to it that it is maintained in the interest of people throughout the country.

Deputy Robert Troy: The Government is the main stakeholder in Bus Éireann, so it has a role to play, and Deputy Ross is the Minister with responsibility for transport, so he has a role to play. I thank the Taoiseach for repeating back to me what I already know and have put on the record of the House. I asked what the Minister briefed the Cabinet on yesterday. Does the Taoiseach believe that the Minister did not see a copy of a report that is freely accessible to the Members of the House? If the Minister did not see it, why did he not seek a copy of the report from Bus Éireann, which has it since November?

The Taoiseach spoke about the route licences and how they were issued. Seat capacity on

the route between Dublin and Limerick has grown by 111% since 2010. Seat capacity on the route between Dublin and Cork has grown by 128% since 2010. There is over-capacity on certain routes while other routes will be starved. Will the Taoiseach commit to review how licences are issued? I understand a report was commissioned and that it is on the Minister's desk, but I am wondering if we will have to wait for that report to be leaked so that we can have a meaningful debate on how we will ensure that every region in the country has the confidence that it will have a sustainable public transport service.

The Taoiseach: The Deputy is being very hard on the Minister.

(Interruptions).

The Taoiseach: The Deputy is being very hard on him at the start of a new session. The Minister confirmed to the Cabinet yesterday that he had not received the report but that, from what he had read about it in newspapers and elsewhere, the focus seemed to be more on the structure of the company and the conditions that apply there than on individual routes. He has already commented publicly that we will not see a diminution of service for places in rural Ireland that have lost out.

The Deputy is quite right that those who travel on them see the number and quality of buses - no more than the new ones Bus Éireann itself has bought - that are on the motorways. However, the fact of the matter is that it is losing €6 million a year and that needs to be addressed, which is now a matter for the management and the trade unions. The Government also has an interest. It has invested €40 million of public money into it. As I stated, despite the perception, it is not the case that there is some mysterious glut of new licences on the market. The process of granting licences can be reviewed and I will bring that to the attention of the Minister. In everyone's interests, I hope the discussions that will take place between the company and the unions on the matter-----

Deputy Robert Troy: What about the Government's role?

The Taoiseach: -----will be constructive and progressive and that we can move on and continue to provide services for people. However, it is losing €6 million a year, which is a problem.

Deputy Mary Lou McDonald: Yesterday the British Prime Minister, Theresa May, set out her stall in advance of the opening of Article 50 negotiations in a matter of weeks. Some have described her utterances as a plan. It is not a plan; it is a wish list. It is a wish list that will no doubt please the likes of Nigel Farage and those on the Tory right, but one thing that is clear is that it is bad news for Ireland. Prime Minister May repeated her intention to bring an end to the jurisdiction of the European Court of Justice. Alongside her vow to end Britain's commitment to the European Convention on Human Rights, this will have profound implications for the Good Friday Agreement because, as the Taoiseach knows, both are fundamental to the human rights provisions contained in the Agreement. The Taoiseach needs to make clear to Prime Minister May that this cannot happen.

The Prime Minister's intention to leave the Single Market and her indecisiveness about the customs union will have a detrimental impact on the economy, both in the North and across Ireland. Exiting either would create a hard Border on the island. That is a fact.

The Prime Minister's remarks on the future of the common travel area contained no new detail other than vague references. From an Irish perspective, we are still left wondering about

18 January 2017

the following question: Brexit means Brexit means what? The one thing we know is that Prime Minister May's plan shows that she persists in ignoring the views of the people of Ireland. It is worth reminding ourselves that citizens in the North voted to remain in the European Union. That is their democratic wish and that voice needs to be heard. Far from voting with their eyes open to leave the EU, the vote and mandate from citizens in the North was clear. It was "No" to a Tory, little Englander approach and "No" to a hard Border. Any pretence from the British Government about consultation is just that. It has no interest in consulting any of the devolved institutions. The Prime Minister used her speech to announce a meeting of the Joint Ministerial Committee for Thursday - so much for consultation. She is not interested in listening to the views of the devolved administrations in the North or anywhere else; that much is clear.

The Taoiseach is in a different position, however. He will sit at the negotiating table as one of the remaining 27 member states. He will have a view and a say. He has a key role to play and he must be assertive because the issues and stakes are massive. It will fall to him, as Taoiseach, to uphold the democratic wishes of the people of this island who are being ignored by the British administration. The only workable solution for the North is to be granted special designated status within the European Union and the Taoiseach needs to work to that goal. More than that, we need to hear now from him what is his holistic, considered approach to defending the interests of the island. The Prime Minister, Theresa May, has set out her approach. We now need to hear the Taoiseach's view, vision, plan and strategy. When will we hear those?

The Taoiseach: I referred on many occasions to what we want for our country and citizens, namely, a continuation of a strong economy; the preservation of the common travel area; no return to a hard Border or borders of the past; to maintain our trading links; and to negotiate, as part of the European Union team, our position in the European Union of the future. What happened yesterday is that, following the referendum in Britain on 23 June 2016, calls were made for clarity and the Prime Minister has set out what she believes is the best option for Britain. One would not expect her to do anything else. After all, the British Government has decided to follow through on the vote in the referendum and leave the European Union.

The other side of the equation is that, from a European perspective, 27 countries, one of which is Ireland, will negotiate from the other side of the table. These negotiations have not even started yet. What we have at the moment is a declaration of what the British Government sees as being in Britain's interest. We have not had the benefit of a discussion by the 27 other member states, from a European perspective, on where these countries, including Ireland, see the future of Europe.

Deputy McDonald made the point that the Prime Minister had no interest in consulting. While I do not speak for the Prime Minister, I heard her say she wanted all the devolved administrations, Scotland, Wales and Northern Ireland, represented on the negotiating team from a British perspective. The Deputy also made the point that this is bad news for Ireland. The negotiations have not yet commenced but Sinn Féin wants to take the line of blaming everybody without accepting any responsibility. I want the Deputy to understand that we will argue vociferously in respect of the issues I have already pointed out we have been preparing for and mentioned yesterday by the Prime Minister in her speech. Also, when Britain has left the European Union this country will remain a member of it. Ireland is an English-speaking nation, with a strong record of dealing with Europe, a strong proposition for continued investment and an attractive location for job creation and careers. Yes, there will be challenges, not the least of which will be, as referred to by Deputy McDonald, the British courts and the European Court of Justice and where decisions might be made in cases where difficulties arise from a particular

circumstance or another. I do not accept the Deputy's proposition. I will argue very strongly in favour of our proposition for the future of our country and Northern Ireland.

Deputy Mary Lou McDonald: I would not expect any British Prime Minister to consider or argue for anything other than that which he or she considered to be in the British interest. Let there be no mistake about it the British interest does not include what is good for the North of Ireland or for this island as a whole. It is important that is said out loud. It seems to me that the Taoiseach has sat on his hands until now, awaiting breathlessly the utterance of Prime Minister, Theresa May, in terms of what the British system proposes to do. He now argues that he is awaiting what other EU member states might have to say in that regard. All of that is fair enough. However, it is now clear that the Taoiseach has no plan. That is very troubling. I am well aware that Article 50 has not as yet been triggered and that there will be a complicated, high stakes process of negotiation. Sinn Féin will take on any responsibility that it rightly shoulders in that regard.

It is clear that the Taoiseach, at this eleventh hour, has no discernible plan, vision or direction. All he has done today in this Dáil Chamber is repeat a list of issues. A list of issues is not a plan. It will not protect Irish jobs, Irish agriculture, our economy, our political institutions or the Good Friday Agreement. A list of issues is no good and no comfort to the citizens of the North who voted to remain. In regard to the Taoiseach's statement that he will protect this country, this country stretches beyond Dundalk into the exotic lands of Newry and as far as the Glens of Antrim.

An Ceann Comhairle: The Deputy is over time.

Deputy Mary Lou McDonald: That is the jurisdiction for which this Government has responsibility. We need a plan. Perhaps the Taoiseach will respond to the question of when we can expect a plan in a manner that can be understood across Ireland.

Deputy Peadar Tóibín: The 32 counties.

The Taoiseach: The type of politics contained in the Deputy's commentary is typical of where Sinn Féin is now, namely, without responsibility in this matter, blaming everybody and with its own wish list. I have already pointed out to Deputy McDonald that what we want for this country is a continuation of a strong economy, our own citizens and no return to a hard Border.

Deputy Mary Lou McDonald: Precisely.

The Taoiseach: We want the common travel area preserved and we will work for that. All of the details will not be known for some time because the negotiations have not yet commenced. As stated by the Deputy, I stand in this Chamber today as co-guarantor of the Good Friday Agreement, which requires me to ensure that the institutions of Northern Ireland work in the interests of the people of Northern Ireland. We will defend that with everything we have.

Deputy Martin Ferris: The Taoiseach has sat on his hands.

The Taoiseach: I remind Deputy McDonald that the first ever all-island forum was held last November, to which Sinn Féin contributed. The next forum is scheduled to take place on 17 February. In the meantime, 12 sectoral locations from Northern Ireland will give us their views on Brexit.

18 January 2017

Deputy Mary Lou McDonald: Where is the Taoiseach's plan?

The Taoiseach: I will take those views to Europe in the context of the discussions to take place. I hope to see Deputy McDonald there.

Deputy Mary Lou McDonald: The Taoiseach does not have a plan.

Deputy Catherine Connolly: Galway University Hospital is at crisis point. This is a hospital that serves a core population of 800,000 people and six core counties. In addition, it serves a number of other counties, which means it serves a population of approximately 1 million people. It is operating on code black alert, the highest emergency code, and at full capacity on an ongoing and prolonged basis. As a direct result, the obvious things happen. Elective surgeries have been cancelled. Large numbers of people have been left on trolleys, reaching a peak of 50 at Christmas. In addition and directly arising from that, there is an ongoing review of an operation performed in a ward. We are awaiting the review concerning the death on a trolley of somebody in their 80s. We are awaiting the conclusions of a report on spinal surgery, inappropriately carried out in some cases and causing premature deaths in two cases. We are still awaiting confirmation that all the recommendations of the Savita Halappanavar inquiry have been implemented.

In addition, very ill patients are walking out of casualty on a daily basis. There are people with mental health problems being shoved through casualty. Indeed, the lack of capacity in the hospital, which issue is not parochial or local because the hospital serves 1 million people, means it has been ranked number one on the risk register. Dr. Fergal Hickey in Sligo has said the abnormal has become the normal.

In addition, there is a report, independently commissioned by the Saolta group, on the accident and emergency department. The physical environment of the department is shocking and disturbing. It is unfit for purpose. A submission has been received from Saolta and the clinical director of the hospital stating the current ageing facilities in the hospital are not fit for purpose and do not provide an appropriate environment in which to safely manage the current and future care needs of the population of the region. I ask the Taoiseach not to stand up and give the answers I received from him and the Minister since I came here ten months ago. I do not want a list of the improvements he has planned. I want him to react to what I am being told by the clinical director and to what I learned from the external report, which states it is not just a matter of the accident and emergency unit because the hospital itself is not fit for purpose.

This is not a political agenda. The authorities want two things. They want immediate confirmation of investment in the accident and emergency unit to make it fit for purpose and, more important, they want confirmation of approval so they can proceed with examining priorities for a new hospital.

The system is failing. The system itself is ill, leading to people becoming ill and dying. I ask the Taoiseach to stand up and give a direct answer. This failure is as a direct result of the lack of investment by Governments driven by an ideology that public is bad and private is good.

The Taoiseach: I am not sure what the Deputy wants me to say in respect of that.

Deputy Catherine Connolly: I will repeat it if the Taoiseach likes.

The Taoiseach: There are certainly elements of what the Deputy said with which one can-

not disagree. In recent weeks, University Hospital Galway has reported very high attendance rates and a number of infection control issues. That is a fact. Consequently, the full escalation protocol has been in operation for some time. It is implemented on a regular basis. The HSE advises that there continues to be an emphasis on access to diagnostics and enabling prioritised discharges to address congestion at this hospital.

As the Deputy is well aware, significant projects completed in recent years include the clinical research facility, which I am sure she welcomes. Also included are the upgrade to the maternity unit and the cystic fibrosis outpatient department, both of which I am sure she also welcomes. Galway emergency department is one of the focus sites for the winter initiative. As part of that enhanced measure, 23 additional beds have been opened in Galway. They have made a difference, whether the Deputy agrees with that or not. A 75-bed ward block and an acute adult mental health unit are currently under construction, as the Deputy is aware. I am sure she welcomes that. They are expected to be operational later this year.

The programme for Government contains a specific reference to the emergency department. It was constructed in the 1950s and upgraded in the 1990s. To improve operational flow in 2005 and 2006, it was undertaken to create a “minors” area to enable streaming of patients. This is not satisfactory. I have said this in the House before. The Saolta group has advised that a cost-benefit analysis with regard to the emergency department project was submitted to the HSE at national level. The Deputy has quoted from it. The cost-benefit analysis is now being considered. It was accepted by the HSE’s national capital steering committee at its meeting on 15 November. The HSE has advised that capital funding will be put in the 2017 capital plan to commence planning and design and the new emergency department project remains a real priority for the Saolta group.

The acute medical assessment unit at UHG is a consultant-led service that opens on a day service basis. The unit takes all medical patients from the emergency department following triage. There is access to key services, such as diagnostics, to facilitate rapid decision making and so on.

The Minister for Health was due to visit Galway before Christmas, but it was not possible to do so. He wants to go there, and will be there in the next matter of weeks, both to look at the emergency department and at the possibilities that might be implemented in respect of better use of Merlin Park. Believe me, Deputy, however, that when one starts making major changes, it is not the politics that are the cause of the problems. The Minister will be down there very shortly to address the issue.

Deputy Catherine Connolly: I am not sure what the Taoiseach did not understand about what I said. First, the Taoiseach had time to visit a private hospital in Galway before Christmas. Second, the Minister has failed to attend in Galway. Third, this issue is not about what I want. Let me cite the Saolta group again because this is what the management in Galway wants. It states that the ageing facilities at UHG are “not fit for purpose”. We have crisis after crisis, and scandal after scandal. I am not interested in going into the details of those, but I am appealing to the Taoiseach. I do not believe what he is telling me. Neither he nor the Fine Gael Government has a grasp of the situation in Galway city, which represents a population of 1 million people. We are at crisis point. This situation is causing deaths and leading to ill health.

All I am asking the Taoiseach to do is to hear what I am saying as a mouthpiece for the clinical director, consultants and medical staff, who say that we are at crisis point. I did not

quote the Taoiseach. I quoted from this independent report on the accident and emergency department and the scandalous, unsafe and dangerous situation pertaining. If the Taoiseach can nod to those words and yet read from that prepared script, there is something wrong with “new politics”.

Deputy Mattie McGrath: Hear, hear.

The Taoiseach: The Saolta group commissioned a report into the emergency department. That report, comprising a cost-benefit analysis, was accepted by the HSE last November. Now, the Deputy does not want to recognise the fact that a clinical research facility has been put in there. She does not want to recognise the upgrade to the maternity unit.

Deputy Mattie McGrath: Stop.

The Taoiseach: She does not want to recognise that the cystic fibrosis outpatient department has been put in place. She does not want to recognise any of these things and instead she comes in here and blithely calls for a new hospital. She knows as well as I do that these things take time. I am saying to her that the emergency department in Galway, as I said before, is not fit for purpose.

Deputy Catherine Connolly: The hospital is not fit for purpose.

The Taoiseach: I did not want to see a cost-benefit analysis to know that much. The answer to that is that one has to deal with that problem. Therefore, the Minister for Health is going to go down to University Hospital Galway very shortly both to look at the conditions of the emergency department and to discuss what might be possible to have put in Merlin Park.

Deputy Noel Grealish: The good news from Galway is that unemployment levels are dropping and more people are returning to work, as is the case in most parts of the country. The bad news for Galway is that this also means more cars on the road and that a city that is famous worldwide for all sorts of good reasons is becoming known more and more for its appalling traffic problems.

The Galway city outer bypass or ring road will not be opened until at least 2026. That is assuming that it gets the necessary go ahead. The history of the project, which has been stuck in the pipeline for two decades, would not fill one with confidence on that score. What are we going to do in the meantime? Is the city expected to come to a standstill for the next ten years, with everyone sitting in his or her car while Galway becomes one giant car park? Dublin, Cork, Limerick and Waterford have bypasses. Galway is officially the third largest city in the country, yet there is still no bypass in sight and traffic volumes are growing by the month.

In that regard, people like Mr. John Gormley, the former Green Party Minister for the environment, has much to answer for because, but for their objections over everything from snails to bog cotton and limestone pavements, the road, which would have been a vital addition to the infrastructure of a vibrant and growing city, would have been built years ago. The current plan, involving a bypass, a ring road stretching from the eastern approaches to the west of the city, and the building of a fifth bridge over the River Corrib is going through a process at the moment that will take time. Currently, submissions are being invited from the public on the proposed route and the design will not be finished until the end of January. Then it has to go through the entire planning process and there is still no guarantee that at the end of the day we will have a road that will solve Galway’s woeful traffic problems. We had plans before that have fallen at

various hurdles.

We hear every morning on the radio about the traffic congestion in Claregalway and Parkmore. The only solution to the problem in Claregalway is an inner relief road as the new M17-M18 will not solve the traffic problems in the village, given that a new secondary school has now opened with more than 1,000 students enrolled. The situation in Parkmore is even more serious, with approximately 10,000 people travelling daily to and from work on a single road. Employers concerned about the continuing effects of traffic congestion on productivity, future expansion plans and job security.

What is plan B for Galway? We cannot sit on this process for another decade. Could we put a task force in place to find a solution? Where large factories close in major towns, a task force is put in place to try to find a replacement. Galway must now have the same urgent response. We are losing industry in Galway right now because of the city's traffic problems. It is a fact that we are losing employment and investment. I know of a number of companies that looked at Galway in recent months and they decided not to locate there due to the traffic problems. Will the Taoiseach give a commitment that funding will be provided this year to try to find a quick-fix solution to the traffic problems in Galway city and county?

The Taoiseach: I thank Deputy Grealish for his question. There has been very strong growth and an increase in employment in the Galway area in recent years and it has exacerbated the problems that were already in existence in the city, which now has a population of 90,000 in the immediate city area. As Deputy Grealish is aware, the overall transport strategy was prepared by the National Transport Authority, NTA, in partnership with Galway City Council and Galway County Council during the course of 2016. That strategy set out the overall framework for the development of a transport infrastructure and services in Galway city and its environs over the next 20 years. The strategy has been included now in the city development plan that was adopted by the city council on 7 January this year. That sets out a strategy for a vibrant city where traffic is rerouted through the central core area, there are improved pedestrian and cycling facilities and it also provides for an enhanced bus network which will provide a much improved public transport service. It also provides for the development of park-and-ride facilities at suitable locations. I am advised that the existing service from the racecourse, which was developed over the Christmas period, was very successful.

To respond directly to Deputy Grealish's question, the transport strategy also includes the Galway city outer bypass, which is recognised as an absolute priority, as the Deputy will understand. Overall, the transport strategy represents a coherent set of propositions to deal with Galway in the medium and longer term. It is important to stress that all of the proposals cannot be delivered at once, nor is any single option the panacea for Galway city and the general area, which will increase in population significantly in the next 20 years. Elements of the bus network and parking facilities will help the situation in their own way but the priority is to implement the transport strategy.

Deputy Grealish mentioned Parkmore business park where there is significant traffic congestion on a constant basis. Work has been progressed there to develop both a short-term and long-term solution to Parkmore. Galway City Council, funded through the NTA, under the Department of Transport, Tourism and Sport, has appointed a design team to examine options for possible short-term additions to address access to the business park and exits from it, in addition to identifying a longer-term solution. Proposals will be identified and assessed by the end of February and, depending on the funding implications, I understand it may be possible to com-

18 January 2017

mence some of the smaller measures during 2017. The design team will evaluate options for the longer term and a more comprehensive solution to access employment lands may include a reconfiguration of the Monivea Road and Parkmore Road junction or the Monivea and No. 6, Briarhill, junction as well as the provision of further park and ride arrangements.

Deputy Noel Grealish: I thank the Taoiseach for his reply. I know consultants have been appointed to look at the Parkmore Road infrastructure in particular but what they are proposing involves just tweaking the traffic lights on the Monivea Road. That will not solve the problem. I put a proposal to Galway City Council and Galway County Council that involves using Galway Airport for a park-and-ride facility to serve Parkmore where nearly 10,000 people work. I have met with all the top executives in Parkmore. These are multinational companies - people who are concerned about the traffic problems. They said they would even look at co-funding to put a park-and-ride facility in place. Over the past two decades in Galway, every egg was put in one basket, which was the Galway city outer road. There are major problems in the middle of the city relating to proper bus lanes from east to west. When Galway city was developed, it involved bad planning. All the houses are on the west of the city while all of the industry is on the east. Approximately 7,000 people are trying to cross the city every day to get to work. That is bad planning. We do not even have a proper bus service to get from east to west in Galway city. I ask the Taoiseach to put proper funding in place this year to find some sort of quick-fix solution to provide a proper public transport service within Galway city that would service Parkmore, where people work, in particular.

The Taoiseach: The Deputy has made a novel suggestion in respect of park-and-ride facilities and I will have it brought to the attention of the National Transport Authority. Obviously, it is concerned that the major propositions for the Galway outer ring road would be seriously expensive. At the same time, there needs to be a focus on more than tweaking a traffic light at Monivea. The suggestion made by the Deputy is novel and I will have it brought to the attention of the National Transport Authority. The design details for the longer term will be available later this year. In respect of funding, there will be a major capital review to be carried by June 2017. This can feed into that. I travelled the road there recently and got caught in one of those traffic jams the same as everybody else but I am glad to see that very significant progress has been made on the Gort-Tuam motorway which will add somewhat to the relief of congestion generally.

Questions on Promised Legislation

Deputy Robert Troy: The Valuation Office commenced a process of revaluing how rates were charged to commercial customers a number of years ago. Letters have issued from that office. I can only speak for my constituency of Longford-Westmeath but these letters have issued in the past number of days and have proposed significant increases in commercial rates to customers. How businesses in Mullingar will be affected is the lead story in the *Westmeath Topic* today. I have been contacted by businesses in Granard, Longford and Ballymahon. To give the House a flavour of the increases, rates have increased from €500 to €1,270; €2,766 to €4,620; and €650 to €4,070. How can small businesses sustain increases like these? In the programme for Government, the Government committed to revamping how commercial rates are charged to small businesses. When will we see action on these proposals because businesses cannot sustain increases such as these?

The Taoiseach: The heads of the Bill in respect of valuations are being prepared. They will come to Cabinet and go from there for pre-legislative scrutiny in the normal way. I am quite sure everybody will have their opportunity to give their opinion at that stage.

Deputy Mary Lou McDonald: The legislative programme published yesterday contains a commitment to introduce the mortgages special court Bill or courts (mortgage arrears) Bill. Will that Bill contain measures that will tackle the scandal that is the banks' handling of tracker mortgages? We have a situation where in excess of €100 million and probably closer to €200 million has been stolen from the pockets of hard-pressed citizens. Every single major bank in the State is implicated. They took money from customers they should not have taken from. Not alone did they do that, but they also took the homes of a number of those families. More than 100 individuals have lost their family homes and others have been bankrupted. What has happened is unbelievable and yet for years the Central Bank did not pick up on it. Banks that we own-----

An Ceann Comhairle: Deputy-----

Deputy Mary Lou McDonald: ----- fought customers when they tried to raise the issue in the public domain. When they took it to the Financial Services Ombudsman, Permanent TSB, which the State owns, fought them in the High Court.

An Ceann Comhairle: I thank the Deputy. The time is up.

Deputy Mary Lou McDonald: When the High Court ruled that it agreed with the Financial Services Ombudsman and customers, the bank chose to appeal to the Supreme Court.

An Ceann Comhairle: I thank the Deputy. The time is up.

Deputy Mary Lou McDonald: Now is the time to introduce white-collar crime measures to ensure that bankers know they will face the full rigours of the law if they take such action again. Will those measures be included-----

An Ceann Comhairle: The Deputy is way over time. Please.

Deputy Mary Lou McDonald: ----- in the Bills I have mentioned when they come before the Dáil?

The Taoiseach: The Deputy mentioned a number of measures. I understand the Attorney General has given some detailed advice in respect of the mortgage Bill being prepared. The outcome on that is awaited. I will communicate with the Deputy as to whether the issues relating to tracker mortgages will be included in that mortgage Bill.

Deputy Brendan Howlin: The Taoiseach will recall that the issue of data sharing and data publication - access to public information - was a priority in the reform programme of the last Government. I hope it remains a high priority. The Taoiseach might indicate if that is the case. In order to advance that there is promised legislation, the data sharing and governance Bill, the heads of which were published last year. When will we see that legislation? I ask the Taoiseach to give an indication of his commitment to ensuring that public data are publicly available, obviating the need for freedom of information requests.

The Taoiseach: Work is being done here and the pre-legislative scrutiny has to take place. I believe the Minister of State, Deputy Eoghan Murphy, was in America last week dealing with

18 January 2017

elements of this. It is a priority for Government and will be dealt with in this session. I hope it can come to Cabinet and have its pre-legislative scrutiny carried out quickly. I think that is what is awaited at the moment.

Deputy Mick Barry: Two weeks before Christmas, the former chairman of the Labour Court, John Horgan, issued a report commissioned under the Haddington Road Agreement, which recommended that gardaí who take industrial action should automatically lose their right to pension entitlements for five years. The Anti-Austerity alliance would be completely opposed to this proposal, which would, as it stands, be unlawful. Does the Government intend to try to change the law? Does it intend to introduce legislation to curb the right to strike for public servants?

The Taoiseach: The Garda has a very particular place in Irish society and nobody wants to see a situation where gardaí go on strike. The Government was willing to adopt the principle of allowing gardaí have access to the mechanisms of the State to resolve disputes. Deputy Barry is aware of the Labour Court result in that regard. Legislation will be prepared, which will be difficult. It is a matter to be considered very carefully by gardaí and their associations as to whether they wish to be part of the trade union movement. I do not want to see a situation where gardaí go on strike and nobody else does either and nor do the vast majority of gardaí themselves. The Tánaiste and Minister for Justice and Equality is working on the matter at the moment.

Deputy Danny Healy-Rae: The present tenant purchase scheme is totally unworkable. I am sure the Taoiseach is aware that Kerry County Council wrote to the Department in 2015 stating that 80% of applicants would not qualify. Before the scheme was suspended four or five years before that, the local authority when it sold a house to the tenant then used that money directly to repair vacant houses and make them suitable for housing new tenants. The councils do not have funding from the tenant purchase scheme available to them anymore because the scheme is not working. Approximately 80% of applicants for the scheme do not qualify. What is the Government going to do about this very serious matter? I ask the Taoiseach to investigate the matter. Kerry County Council wrote to the Government about this issue more than 18 months ago.

The Taoiseach: I am sure the Minister will be very interested in what Deputy Danny Healy-Rae has said about the assessment of Kerry County Council that 80% of applicants would not qualify.

Deputy Mattie McGrath: It is the same all over the country.

The Taoiseach: The Deputy is aware of the unprecedented scale of the housing programme being put in place by the Government for the building of social housing as well as the purchase by county councils of housing for tenants. Funding is also being made available to renovate houses that are not up to standard and make them fit for purpose.

I will inform the Minister for Housing, Planning, Community and Local Government, Deputy Simon Coveney, of the Deputy's comments in respect of non-qualification for the tenant purchase scheme. That scheme used to work very well years ago. When a person got a house from a council he or she was given the opportunity once every five or ten years to sign up to buy the house. A previous Minister sold off all of the houses for very low fees and put an end to that.

Deputy Robert Troy: He was trying to give people a chance to own their own home.

The Taoiseach: We will see what the best option is now.

Deputy Eamon Scanlon: A Programme for a Partnership Government affirms that the Government wishes to provide more accessible respite care to facilitate full support for people with disabilities. I have the social care and disability service plan for 2017 in front of me and while I do not doubt the commitment of the Minister of State at the Department of Health, Deputy Finian McGrath, who has just left the Chamber, I wish to raise an issue regarding Sligo. A purpose-built HSE respite facility was built four years ago at a cost of €1.2 million. There is no question that there is a big demand for respite services, particularly for emergency respite for parents following a death in a family, for example. It is a busy service but I was told recently by parents that the service is being reduced to six nights per month, which is a significant reduction. Effectively the facility will be closed for 24 nights per month, which is regrettable and wrong.

I contacted HSE management and was told that funding has been applied for and a response is awaited.

An Ceann Comhairle: This sounds more like a topical issue than a matter -----

Deputy Eamon Scanlon: It is a very serious issue for the service users because it gives them a break -----

An Ceann Comhairle: All right. The Deputy's time is up so I ask the Taoiseach to respond.

The Taoiseach: I am not sure what happens on the extra day in a month that has 31 days, if the service is open for six and closed for 24 days.

Deputy Eamon Scanlon: I spoke about an average -----

Deputy Robert Troy: The Taoiseach is very funny.

The Taoiseach: In any event, I will bring the matter to the attention of the Minister for Health, Deputy Simon Harris, and ask him to seek a response from the HSE.

Deputy John Curran: In October 2016 the Government engaged Mr. Justice Iarfhlaith O'Neill to review and report on protected disclosures regarding An Garda Síochána made to the Minister for Justice and Equality, Deputy Frances Fitzgerald. I understand this report was delivered to the Minister on 7 December. As this is a matter of significant public concern, when will the report be brought to the Government and published? It would be a shame if it took the Government longer to deal with the report than it did for Mr. Justice O'Neill to produce it.

The Taoiseach: Normally when such reports are sent to the Minister for Justice and Equality they are referred on to the Office of the Attorney General for consideration as to whether it is in order to publish them. The Minister received the aforementioned report and I understand that it is currently with the Attorney General for consideration. I will advise the Deputy through the Minister for Justice and Equality as to when the process will be completed.

Deputy Michael Healy-Rae: Following on from the announcement last week by the Minister of State at the Department of Finance, Deputy Eoghan Murphy, and the publication of his working group's report on the high cost of insurance, I still do not believe that the measures proposed are enough to tackle the issue. We are not doing enough. Some of the proposed measures will not be introduced until the end of this year and that is simply not good enough. Families are being crippled by the astronomical costs being forced on them by insurance com-

18 January 2017

panies. I urge the Government and the Minister of State to do more with regard to the speed of implementation in order to help people with this very serious problem. I will give one example to illustrate my point. I know a businessman whose insurance two years ago was €10,000. He has had no claims in the interim but his insurance is now €47,000. That is totally unsustainable and the insurance companies must be brought to book in this regard.

The Taoiseach: This is an issue that affects everybody in one way or another, whether one is talking about house, business, motor or life insurance. Claims have risen as well and costs are rising from these claims. The Minister of State, Deputy Murphy, has done an extraordinary amount of work on this, and he is anxious that its implementation is prioritised. He will work with Deputies to see this happens. Clearly it will not happen overnight.

Deputy Eugene Murphy: I also wish to raise the issue of car insurance. Fianna Fáil welcomes what the Minister of State, Deputy Murphy, and the working group have achieved. The sad thing is we are speaking about two years before anything can be put into practice. Another difficulty has arisen. I have had three cases in the past five weeks where families purchased cars in Dublin which were nine, ten or 11 years old but have only 50,000, 60,000 or 70,000 km on them. They have a few repairs to be done at a cost of €400 or €500 and they have passed the NCT without difficulty. However, as with wheelchair accessible taxis, no insurance company wants to insure these cars. It is disgraceful.

Deputy Mattie McGrath: Scandalous.

Deputy Eugene Murphy: I know the Taoiseach has no silver bullet to solve these issues, but I ask that the Government deals with the motor insurance companies head on because they are playing holy hell and I do not believe a lot of what they come out with. We do not have a great public transport system and by all reports, listening to Deputy Troy, it could be worse. What are people in rural Ireland to do? This needs to be tackled without delay.

The Taoiseach: Many of those cars might continue to have very little mileage put on them by those who use them. I understand this. There is also the issue of people who are increasing in age having difficulty getting insurance. The simple issue here has been the cost of claims and the way it has drifted over recent years. The Minister of State, Deputy Murphy, is working on this, but there is no single solution to every issue which arises, as the Deputy pointed out. I keep him informed of developments.

Deputy Bernard J. Durkan: The Garda Síochána (compensation for malicious injuries) Bill has been promised for some time. The legal advice is being studied and analysed. When is the analysis likely to conclude and when is it likely that the Bill will be published?

The Taoiseach: I do not have a date for Deputy Durkan. The legal advice is being examined. I will get a report for the Deputy.

Deputy Seán Barrett: Yesterday, the Committee on Budgetary Oversight was presented with a report which showed an increase of €782 million over the allocated amount for 2016 for health. If we take this €782 million overexpenditure and add it to the more than €15 billion in the annual allocation and the approximately €4 billion in private insurance, it adds up to €20 billion for a health service for 4 million to 4.5 million people. There is something radically wrong here.

Deputies: Hear, hear.

Deputy Seán Barrett: We have overexpenditure of €782 million. Will the Taoiseach establish a small committee with representatives from the committees on budgetary strategy and health to report within three months on the exact reason, and I mean the exact reason, for overexpenditure of €782 million? Give the committee three months to examine in detail every single cent to find out what is going on in the health service with regard to the amount of money being spent.

The Taoiseach: Deputy Barrett has put his finger on an issue that has been around for a very long time. This matter has been considered on many occasions by the Cabinet subcommittee dealing with health. The Deputy will find endless reasons for expenditure increases. One of the issues being addressed by the Minister, Deputy Harris, with the co-operation of members of various parties, is to put in place a ten-year strategy.

1 o'clock

It will remove a lot of the politics from health and will enable us to decide which areas of the country should be providing which services. We are building primary care centres in many places around the country and these are being designed and built for a purpose, namely, to save people from having to go to hospital in the first place and yet it is as if it never happened. This is an issue that needs to be addressed. I will give the Deputy the information I have on overexpenditure but without setting up a committee at this moment. Maybe we will return to the matter again.

Deputy Seán Barrett: I propose setting up a committee to examine why there is an overspend.

Deputy Fiona O'Loughlin: On 25 January 2013, almost three years ago, a large number of Garda stations were closed around the country and communities were devastated and left vulnerable. Under the programme for Government a commitment was made to introduce a pilot scheme for six Garda stations to be opened. Kildare has the lowest number of gardaí per head of population and we have the second lowest number of Garda stations so we were devastated when we lost the stations in Ballitore and Ballymore Eustace. Can the Taoiseach give an update on this pilot scheme to reopen six Garda stations? On behalf of the people of south Kildare I call for the reopening of the Garda stations in Ballitore and Ballymore Eustace.

The Taoiseach: Kildare and the counties surrounding greater Dublin are growing very swiftly in terms of population and these are services that are needed. The Government wants to increase Garda strength to 15,000 and, despite the recession of the past number of years, we have been in a position to provide facilities for gardaí to do their job. That is important. I take the Deputy's point but the day-to-day running of the Garda is a matter for the Commissioner. The programme for Government contains that commitment and the Commissioner must now set out the criteria by which the scheme can operate, both for rural and urban stations.

Deputy Brendan Howlin: And Stepside.

Deputy Mattie McGrath: Stepside is okay.

The Taoiseach: When that process is completed, the Commissioner will provide the criteria for particular stations.

Deputy John Brassil: There is a commitment in the programme for Government to deliver

18 January 2017

a better health care system. Following Monday night's very powerful documentary on the experience of Brendan Courtney and his family as they tried to access better health care for their elderly parent, what commitment can the Taoiseach and the Minister for Health give to roll out the fair deal scheme to the home, particularly for people with elderly parents?

The Taoiseach: I did not see the programme but I heard about it. I understand it was a very powerful documentary and I offer my compliments to the family involved. I understand the father had a stroke. It is not a case of putting onto a statutory basis the care and consideration given by families to family members who are patients but the Government understands that people want to be in their own homes and should be able to live in their own homes for as long as possible before it is necessary to go to a hospital or a longer-stay institution. A review of the fair deal scheme, which has by and large been successful, is under way and this issue is a matter of concern to the Minister because of the rising age of our population. There will be increased demand over the next 15 or 20 years for this particular service.

Deputy Joe Carey: The domestic violence Bill has been long promised and I welcome the fact it has been placed on the priority list for legislation for this term. When can we expect it to be introduced to the House?

The Taoiseach: I expect that Bill to be published next week and it will thereafter take its course through the Houses.

Deputy Tony McLoughlin: I wish to raise the ability of institutes of technology, such as IT Sligo, to merge into new technological universities and obtain the benefits that would bring. When will the Technological Universities Bill become an Act? I am aware that it awaits Committee Stage.

The Taoiseach: I think the Business Committee will have to deal with this, given the process by which legislation gets on the agenda now. It is awaiting Committee Stage and I am anxious that it would proceed as quickly as possible. Perhaps that might be facilitated by the committee and the powers that be there.

Deputy Mattie McGrath: Serious questions have to be asked about the effectiveness of oversight concerning both the assistance and benefit schemes operated by the Department of Social Protection. I received a reply which stated that between 2011 and 2016, €420 million was recovered by the Department due to overpayments. It also stated that cases of social welfare fraud totalling €53 million were detected. The vast majority of social welfare recipients are honest, are entitled to it and do not commit fraud. I am concerned, however, that €420 million should have been recovered. Apart from the cost of the recovery process, it also has an effect on those getting payments. Many of them would have received overpayments unknown to themselves. They may have spent that money on very necessary living expenses, but are then forced to repay it or have it deducted from their payments.

Serious questions must be asked in the Department as to how overpayments are reaching that level. Anguish and distress are caused to families in trying to pay it back. Something is wrong in the Department, and it goes back to what Deputy Seán Barrett said about the HSE. People in the Department are accountable, yet they are not doing their job.

The Taoiseach: I am glad the unemployment rate has fallen and, therefore, the requirement to have to provide social protection for 15.3% of unemployed people has now been reduced to something like 7.2% or 7.3%.

Deputy Mattie McGrath: That is not the question I put.

The Taoiseach: Unemployment of that nature is based on conditions. Those conditions stem from information supplied by people in respect of their eligibility to draw social welfare.

Deputy Mattie McGrath: No.

The Taoiseach: If the Deputy is saying that all these people have suddenly received money they should not have, he needs to reflect on that. There has been quite a deal of fraud detection in social protection.

Deputy Mattie McGrath: Some €53 million. It is a lot more than €20 million.

The Taoiseach: Nobody wants to see people unemployed. They need to have an opportunity to get a job and pay their dues. Nobody wants to see fraudulent activities either, so it is only right that such money should be recovered.

Deputy Joan Burton: Some time ago the Taoiseach made a commitment that people who had been adopted would have a right, as they have had in most other countries for the past 40 to 50 years, to get information about their birth families when they came of age at 18. There is no mention of it in this legislative programme, however, so has it fallen off the legislative shelf? The Minister for Children and Youth Affairs, Deputy Zappone, made a number of commitments in the House and in writing about this matter, but I do not see it anywhere in the draft legislative programme.

The Taoiseach: I know that Deputy Burton has a real interest in this matter. The legislation is in the Seanad, as far as I know, and will move through that House before it comes here. Therefore, it is not a case of it being waylaid or forgotten about; it is before the Seanad at the moment.

Deputy Peadar Tóibín: Inné, d'fhoilsigh an Taoiseach an clár reachtaíochta don téarma seo sa Dáil. Ní fheicim aon tagairt ar chor ar bith ann do Bhille nua na dteangacha oifigiúla. Cathain a fhoilseofar an Bille seo? Ná déanaimís dearmad gur gheall an Taoiseach sa téarma deireanach go mbeadh sé foilsithe faoin mbomaite seo. Sheas sé san áit ina bhfuil sé anois an bhliain seo caite agus dúirt sé go mbeadh an Bille seo foilsithe roimh dheireadh na bliana. Níl sé foilsithe fós. Bhris an Taoiseach an geallúint sin. Iarraim air a bheith ionraic leis an bpobal agus insint dúinn cathain a bheidh an Bille seo foilsithe.

The Taoiseach: Nílim ag briseadh geallúinte ar chor ar bith. Ní raibh aontas idir na polaiteoirí faoin mBille a bhí foilsithe. Is éard atá i gceist anois ná go bhfuil oifigigh nua tofa agus tá siad ag obair ar Bhille nua. Rachaidh sé trí choiste na Gaeilge ionas go mbeidh aontas ann idir na polaiteoirí faoi.

Deputy John Brady: In May last year, the Minister for Social Protection, Deputy Varadkar, announced the long-awaited and long-sought scrapping of the JobBridge scheme. In correspondence with the Minister last September, he said he would announce his proposals for a new replacement scheme for JobBridge just after the Indecon report, which was due last September. We are now in 2017 and there is no replacement for the bad scheme that was JobBridge. Among his priorities for 2017, the Minister, Deputy Varadkar, included the development of a new work experience programme to replace JobBridge. At what stage is that process and when will we see the long-anticipated and long-called for replacement to the bad scheme that was JobBridge?

18 January 2017

The Taoiseach: The Minister, Deputy Varadkar, has done quite a bit of work on this area. I will ask him to communicate directly with the Deputy to give him the current state of play in regard to a replacement for JobBridge.

Deputy Darragh O'Brien: The Pyrite Resolution Act 2013 was enacted by the previous Government. In response to parliamentary questions I tabled before Christmas, it was indicated that since 2013 fewer than 500 houses nationally have been remediated. Those that have been are mainly along the east coast and in my area of Dublin Fingal. The Taoiseach will see in *The Irish Times* today the testimony about the thousands of families who have been left in limbo because their houses have pyrite but are not damaged badly enough for the scheme. Will the Taoiseach commit to a full review of the pyrite remediation scheme and an overhaul of it, which I have asked the Minister for Housing, Planning, Community and Local Government, Deputy Simon Coveney, to provide on a number of occasions? It needs the Taoiseach's direct intervention to ensure that the pyrite remediation scheme is brought up to standard so that thousands of home owners see light at the end of the tunnel and see their houses fixed and brought up to specification.

The Taoiseach: I will talk to the Minister, Deputy Coveney, about it. I know it has been a cause of great stress to those involved. I am not sure that it needs a full review but obviously people are anxious that where pyrite has been detected in their homes, they will be remediated as quickly as possible. I will advise the Deputy in that regard.

Deputy Pearse Doherty: Will the Taoiseach and the Minister for Finance call in the boards of two State-owned banks, AIB and Permanent TSB, to question them on their role in the tracker mortgage scandal whereby they have wrongfully taken over €100 million from customers? Those same banks along with others have repossessed the family homes of over 100 individuals, more than sit in this Chamber at this point in time. Can the Taoiseach imagine if each of us was overcharged by a bank and, as a result of that overcharging, lost our family homes? There would be uproar. There are approximately 100 citizens in that position while others have been bankrupted as a result of the process. In total, 15,000 individuals are affected. The least we can expect is that the Taoiseach, acting on behalf of Irish citizens, calls in the two State-owned banks and asks the boards about their role in denying these individuals what was rightfully theirs in the first place.

The Taoiseach: Obviously, the Minister for Finance is in touch with banks on a regular basis. I will consult with him to see what action has been taken here.

Deputy Pearse Doherty: Will the Taoiseach, as holder of that office, call in the boards?

The Taoiseach: Deputy Doherty has described a situation there that nobody likes to see, and banks have a responsibility in this, clearly.

Deputy Pearse Doherty: The Taoiseach has a responsibility.

The Taoiseach: I will come back to the Deputy.

Deputy Willie Penrose: In relation to the commitment in the programme for Government focused on reinvigorating and protecting infrastructure throughout rural Ireland, I welcome the initiative being overseen by the Minister for Arts, Heritage, Regional, Rural and Gaeltacht Affairs, Deputy Heather Humphreys, to put in place a grants system to enable dwellings and accommodation in villages and small towns to be refurbished, renovated and made available for

habitation. In the context of the revaluation process which has commenced, proposed valuation certificates have issued which are exorbitant by any measure. They are completely theoretical, desk-bound assessments which will wipe out and damage businesses and shops in rural villages and towns. In Longford and Westmeath, demands have issued which will see a fivefold increase in rates. In my own village of Ballynacargy, three businesses whose owners I spoke to last night will go to the wall in 2018. What can be done to address this madness where one arm of the Government is acting contrary to the objectives of the other arm? What is the Taoiseach going to do in terms of the programme for Government commitment to protect businesses in rural Ireland and to offer relief in respect of the huge burden of rates? In one business, rates went from €400 to €2,300. One may make Larry and Tom of that. It is a nearly sixfold increase.

An Ceann Comhairle: We will take Deputy Martin Kenny as well before going to the Taoiseach for a wrap-up. I ask the Deputy to be brief.

Deputy Martin Kenny: The programme for Government contains a commitment to bring investment and jobs to rural Ireland. One of the biggest impediments to that is our infrastructure. Chambers of commerce from across the north west came to Dublin before Christmas to campaign for investment in the roads infrastructure, in particular the N4 and N5 links to the north west. I am sure the Taoiseach is well aware of the particular stretch of road between Collooney and Castlebaldwin, which is one of the sections the chambers are talking about, but there are many others. We need urgently to get this roads infrastructure in place if we are going to get a recovery into those parts of rural Ireland. Regional regeneration must be a priority if we are going to make this so-called recovery spread out.

The Taoiseach: I referred earlier to the valuation Bill, the heads of which are being pursued and which will go for pre-legislative scrutiny shortly. Obviously, we need a programme for investment. There is a €40 billion programme which runs to the mid-2020s. The difficulties about public private partnerships have been ironed out and a new office of the European Investment Bank has opened in Dublin. Obviously, a major capital review will be carried out in the middle of the year. I am aware of the Collooney-Castlebaldwin difficulty, which has existed for a very long time. It is part of the programme for improvement along with many other road sections. We need a serious capital investment at many locations nationally. A review of the programme will be under way very shortly and carried out in June this year.

Deputy Martin Kenny: When will it be completed?

An Ceann Comhairle: I thank the Taoiseach. That concludes questions on promised legislation. I point out to Members that many of their questions were much more relevant to Topical Issues or standard parliamentary questions.

Topical Issue Matters

An Ceann Comhairle: I wish to advise the House of the following matters in respect of which notice has been given under Standing Order 29A and the name of the Member in each case: (1) Deputies Brendan Griffin, Noel Rock and Stephen S. Donnelly - the touting of event tickets; (2) Deputy Louise O'Reilly - overcapacity difficulties with children under six years for GPs in Balbriggan; (3) Deputy Seán Haughey - the provision of ambulance services in Dublin given the current threat of strike action; (4) Deputies Brian Stanley and Fiona O'Loughlin - the future of the Bord na Móna plants at Kilberry, County Kildare and Cúil na Móna, County Laois;

18 January 2017

(5) Deputies Mary Butler, David Cullinane, Bobby Aylward, John Halligan, Mattie McGrath and John Paul Phelan - cardiac services at University Hospital Waterford and throughout the south-east region; (6) Deputy Pat Casey - the decision to close Laragh/Glendalough post office; (7) Deputy John Curran - the withdrawal of funding by HSE north Dublin for Tiglin rehabilitation; (8) Deputy Dessie Ellis - the use of off-road vehicles in public parks and green areas; (9) Deputy Michael Fitzmaurice - delays in processing GLAS payments across the country; (10) Deputy Tony McLoughlin - plans to deliver a fixed cardio catheterisation lab in Sligo University Hospital in 2017; (11) Deputy Eugene Murphy - the appointment of a child psychologist for north Roscommon; (12) Deputy Imelda Munster - preservation of the 13th century barbican, St. Laurence's Gate, in Drogheda town; (13) Deputy Jan O'Sullivan - the opening date for the new emergency department at University Hospital Limerick; (14) Deputy Dara Calleary - concern over jobs, employment conditions and services at Bus Éireann; (15) Deputy Carol Nolan - the provision of assessments for children with special educational needs; (16) Deputy Thomas Pringle - staffing concerns at the Seaview respite home, County Donegal; (17) Deputy John Brassil - the NCPE decision on the Respreeza medication; (18) Deputy John Lahart - the decision to close St. Brigid's nursing home in south Dublin; (19) Deputy Ruth Coppinger - access to the drug nusinersen for children with spinal muscular atrophy, type 1, SMA1; (20) Deputy Thomas Byrne - Garda resources in east Meath; (21) Deputy Anne Rabbitte - the conditions in University Hospital Galway emergency department; (22) Deputy Timmy Dooley - the conditions in emergency departments; (23) Deputy Clare Daly - the crisis in the administration of defined benefit pension schemes; (24) Deputy Mick Barry - the cancellation of hospital appointments in Cork by the HSE last year; (25) Deputy Mick Wallace - the need to revise the role of NAMA over the next three years; and (26) Deputy Catherine Murphy - Prime Minister May's comments regarding a common travel area between Ireland and the UK.

The matters raised by Deputies Dessie Ellis and Thomas Pringle, respectively, and Deputies Mary Butler, David Cullinane, Bobby Aylward, John Halligan, Mattie McGrath and John Paul Phelan, together, have been selected for discussion.

Ceisteanna - Questions

An Ceann Comhairle: We are applying the time specified in yesterday's Standing Order amendments. As such, the clock will be running.

The Taoiseach: I will abide by the Ceann Comhairle's ruling.

Deputy Brendan Howlin: Deputy Micheál Martin is not here so it is okay.

An Ceann Comhairle: He would not be alone.

Departmental Offices

1. **Deputy Brendan Howlin** asked the Taoiseach the number of staff assigned to the parliamentary liaison unit in his Department; and the functions it has. [40019/16]

The Taoiseach: The parliamentary liaison group based in my Department facilitates the enhanced relationship between the Government and the Oireachtas. It is staffed by a principal officer, a higher executive officer and a clerical officer. The principal role of the unit is to assist

in the management of the legislative programme, which is done in conjunction with the Whip's office. The unit also provides support to Ministers and their Departments on Oireachtas matters with a particular emphasis on assisting Departments with Private Members' business. The parliamentary liaison unit liaises on a regular basis with advisers, including the chief strategist for the Independent Alliance and the political co-ordinator for the Independent Ministers in government and Departments with a view to ensuring that they are aware of Oireachtas issues and to assist them with engaging with the new processes arising from Dáil reform.

Deputy Brendan Howlin: I thank the Taoiseach for the reply. According to the Government's website, the parliamentary liaison unit facilitates the enhanced relationship between Government and the Oireachtas. I understand the Government's Chief Whip has also been provided with a second special adviser from October last to deal with parliamentary liaison. Even having listened to the Taoiseach, I am not clear on the exact role and function of these units and individuals. Who do they liaise with exactly? Is it everybody or is it designated people? Is it people who support the Government on the Opposition benches or who potentially support it? Are they providing supports to Deputy Kevin Boxer Moran or Deputy Michael Lowry? Can the Taoiseach tell the House specifically who they liaise with and for what purpose? If the objective is to facilitate a better relationship between the Government and the Oireachtas, is it liaising with everybody in the Oireachtas or just with designated people who might be supportive of the Government?

The Taoiseach: The principal role is to assist in the management of the legislative programme, which is done in conjunction with the Whip's office. It provides support to Ministers and their Departments on Oireachtas matters, with a particular emphasis on assisting Departments with Private Members' business, which now sometimes consists of four items per week.

Deputy Brendan Howlin: With all parties?

The Taoiseach: From all parties, yes. Sometimes there are three, if not four, Private Members' Bills coming through.

Deputy Brendan Howlin: Yes, but we all produce them.

The Taoiseach: That is what it does. The parliamentary liaison unit is involved with the chief strategist for the Independent Alliance group, in respect of which Deputy Howlin mentioned Deputy Moran, as well as the political co-ordinator for the Independent Ministers who serve in government. It is not that easy.

Deputy Brendan Howlin: The Taoiseach indicated that one of its functions is to facilitate the passage and shaping of Private Members' Bills, of which there are up to four per week. We have had no contact and have produced several such Bills. I do not know whether other parties in opposition have had the facility of a co-ordinator from the parliamentary liaison unit or whether only designated individuals can avail of the service. How does one get on the list to be assisted by the parliamentary liaison unit?

The Taoiseach: The unit provides support to Ministers and their Departments on Oireachtas matters.

Deputy Joan Burton: I could not hear the Taoiseach.

Deputy Robert Troy: I think I have an opportunity to make an interjection.

18 January 2017

Deputy Brendan Howlin: The Taoiseach was answering my question.

Deputy Robert Troy: I know, but maybe he will wait until I have asked my question. I am seeking clarification on behalf of my party leader on what arrangement is in place. As my colleague said, who is facilitated by this office? Is it facilitating all Members of the House? When we draft Private Members' Bills, we do so with the help of our research office and not any office within the Department of the Taoiseach.

Was the office put in place to deal with Deputies such as Deputy Lowry? The Taoiseach said Deputy Lowry has no role in supporting the Government, yet when in his constituency he said there is a clear understanding that he can get preference in terms of accessing Ministers and Ministers of State. The man is entitled to so do; he was duly elected by the people of Tipperary. Who is telling the truth? Is the Taoiseach telling the truth when he says there is no deal with Deputy Lowry? Is Deputy Lowry telling the truth when he says he has a deal with the Government?

Is the Taoiseach satisfied that all deals with Independent Deputies have been published? For example, have the details of the deal on the cath lab in University Hospital Waterford with the Minister of State, Deputy Halligan, been published? Our understanding on this side of the House, when we facilitated the supply and confidence arrangement, was that any deal done with an Independent Deputy to ensure his or her support for the Government would be published.

The Taoiseach: It does not deal with the Members the Deputy mentioned. As I said, its principal role is to assist in the management of the legislative programme which was published yesterday and which is quite complex. That is done in conjunction with the Whip's office. There are two different sections. The unit provides support to Ministers and their Departments on Oireachtas matters, in particular in regard to some of the matters that arise in Private Members' business. There is a Bills office for drafting Private Members' Bills for backbench Deputies and others.

The parliamentary liaison unit also liaises on a regular basis with advisers, including the chief strategist for the Independent Alliance and the political co-ordinator for Independent Ministers who serve in government. It does not deal with Deputies outside of that.

Deputy Joan Burton: It sounds like a wonderful facility. I ask the Taoiseach, on behalf of Opposition parties, to circulate a list of the names of those in the unit, their titles, their phone numbers and e-mail addresses. We can all think of occasions when we could use the kind of services that have been described. I presume those in the unit have names, offices, e-mail addresses and contact details. Very few Deputies have such facilities available to them, from what I know. Would the Taoiseach give an undertaking to publish the names and contact details of those in the unit so that if the services are available Deputies can avail of them?

It would be terrible to think that people in the Department of the Taoiseach are sitting on their hands with nothing to do other than have an odd chat with an adviser. That is hardly the efficient and productive work of the kind we know Taoiseach is dedicated to.

Deputy Mary Lou McDonald: Is this an internal Government facility?

An Ceann Comhairle: Deputies can ask a question, and then get the answer.

Deputy Mary Lou McDonald: I want to cut to the chase. Is this a facility afforded to Gov-

ernment Deputies for the smooth passage and organisation of Government business?

The Taoiseach: It is very important for the writing of-----

Deputy Declan Breathnach: On a point of clarification, I received an e-mail offering me the facility. I think it was offered to all Deputies.

Deputy Brendan Howlin: I do not recall receiving any such invitation. The parliamentary liaison unit is available to all of us. That information is very helpful. Maybe the Taoiseach can confirm that the parliamentary liaison unit, whose function is, according to the Government's website, to enhance the relationship between the Government and the Oireachtas, is available on an equal basis to each Members of the Oireachtas regardless of whether he or she is in government, opposition or some halfway house.

The Taoiseach: No, that is not what applies.

An Ceann Comhairle: The Taoiseach has three minutes to respond.

The Taoiseach: I said the parliamentary liaison unit works closely with Government Departments on their input into Private Members' business in the Dáil and Seanad. The unit also liaises on a regular basis with advisers and Departments on Oireachtas matters to ensure they are aware of, and to assist them in engaging with, the new and improved ways in which we are doing business in the Dáil.

The Deputy asked whether the unit was available to everybody in the Oireachtas. As I said in my reply, the unit was established with the view that it would assist in facilitating a more effective central co-ordination in dealing with Oireachtas business. Officials are happy to engage with anyone in that regard. I will furnish Deputies with the detail.

Deputy Robert Troy: I asked a question and I am somewhat at a disadvantage as I have never served in government. What were advisers doing in previous Governments? Were they not engaging with one another? We have had coalition Governments for a long time and there are different policy perspectives when different parties join together. What were advisers doing in the previous Government that meant they needed a new dedicated office to deal with partnership Government? Is the relationship so fractured that another layer of people is needed to facilitate interaction and engagement and ensure information is disseminated from one Department to another?

I note certain Deputies had no problem getting information out very speedily before any such unit was established. I wonder about the need for the unit. Ministers and Ministers of State have always had auxiliary staff to deal with various Departments and the Oireachtas.

Deputy Brendan Howlin: I am still not crystal clear on exactly what function the unit has, but perhaps the Taoiseach could circulate a note including the names and contact details of those involved with unit, something Deputy Burton has requested.

The Taoiseach will recall that in a past Administration, the late Jackie Healy-Rae, who supported the Government, had parliamentary support. I passed him on the corridor every Thursday while he waited for a portion of the list to be delivered and to have dialogue. Does that facility still exist? Is a support person from the Government, be it a civil servant or non-civil servant, dealing with those Independent Deputies who support the Government on the same basis as the individual to whom I referred was supported and helped in a previous Administration?

18 January 2017

Deputy Mary Lou McDonald: We have now established that it is not purely a facility for Government. Rather, it is a liaison facility for the Oireachtas as a whole. I ask the Taoiseach to assist me with this assertion. Can the Taoiseach tell us the extent of the liaison with the Oireachtas? It is, notwithstanding the recollection of Deputy Breathnach of receiving an e-mail, news to lots of us that such a facility exists. I assume that although it is not intended to be purely a Government support that is, in effect, what it is. Am I wrong? Has there been liaison beyond the Government benches?

Deputy Joan Burton: The way the Taoiseach is describing it, it sounds awfully like these are like relationship counsellors who are there to soothe fevered brows in the heat of parliamentary discussions. Given that we have all these people wandering around talking to advisers and chatting to lots of people, but not to any of us, although we would seem to be the object of their mission, I suppose I could ask the Ceann Comhairle, as the embodiment of the representation of the Oireachtas-----

Deputy Mary Lou McDonald: And relationship counsellor.

Deputy Joan Burton: -----whether they have shared some of this relationship stuff with him, and perhaps he could make arrangements to pass it on to the rest of us.

Deputy Kevin Boxer Moran: Perhaps Deputy Burton should have had them in the last Government.

Deputy Brendan Howlin: We lasted five years.

An Ceann Comhairle: I have no relations that I need to tell Deputy Burton about.

The Taoiseach: Deputy Burton had a few herself when she was Tánaiste and an important Minister in the previous Government.

Deputy Joan Burton: A few relationships - I had many.

The Taoiseach: In response to Deputy Howlin, I recall the late Deputy Jackie Healy-Rae used to say that only a portion of the paper would stick out from the folder but that it was worth millions. The difference now is that the agreements we have are all public knowledge and published, both in terms of the programme for Government in respect of the issues with the Independent Alliance and the supply and confidence agreement with the Fianna Fáil Party.

Deputy Joan Burton: How come they know nothing about them?

The Taoiseach: As I stated, the parliamentary liaison group works to improve the relationship between the Government - Deputy Howlin was an esteemed member of Government himself - and the Oireachtas. In this regard, its work is complementary to that of the office of the Chief Whip in terms of the legislative programme and the issues that arise in both the Dáil and the Seanad. I will circulate a note to Deputy Howlin.

An Ceann Comhairle: I thank the Taoiseach. We need to move on.

Deputy Robert Troy: Very briefly, in the 25 seconds remaining-----

An Ceann Comhairle: The Deputy will not get an answer.

Deputy Robert Troy: If everything is publicised, will the Taoiseach tell us on the floor of

the Dáil today if he has an arrangement with Deputy Lowry? Will he answer “Yes” or “No”?

The Taoiseach: No.

Deputy Robert Troy: So he is telling a lie.

The Taoiseach: I do not call people by that.

Deputy Joan Burton: Has the parliamentary relations officer a relationship with him?

Brexit Issues

2. **Deputy Micheál Martin** asked the Taoiseach if he has had any meetings to discuss issues concerning Brexit with officials in his Department recently. [40120/16]

3. **Deputy Gerry Adams** asked the Taoiseach if he has held any meetings with officials in the international, European Union and Northern division of his Department relating to Brexit since 1 December 2016. [1714/17]

The Taoiseach: I propose to take Questions Nos. 2 and 3 together.

I meet regularly with officials in my Department to discuss all areas of policy, including Brexit, which fall under the remit of my Department.

The amalgamated international, EU and Northern Ireland division of my Department was set up to ensure that Brexit is treated as a crucial cross-cutting issue. The work of the division includes supporting the Cabinet Committee on Brexit and the Cabinet Committee on European Affairs.

There is ongoing interaction daily between the Department of the Taoiseach and the Department of Foreign Affairs and Trade. The relevant teams in both Departments are in constant contact to ensure that a comprehensive whole-of-Government approach to a wide range of issues, including Brexit, is provided.

In addition to the regular engagement between the Department of the Taoiseach and the Department of Foreign Affairs and Trade, there is ongoing interaction across all Departments on the range of EU issues, including through regular meetings of the senior officials group on the EU and the interdepartmental group on Brexit.

Deputy Robert Troy: This is the first question that my party leader tabled before Christmas. As a party, we had and continue to have genuine concerns that not enough is being done to meet the challenges this country faces following Brexit and yesterday’s speech has given rise to extreme concern for Irish business. The evidence is that the UK Government has decided that there will be a customs border on this island and that Single Market rights will not apply to North-South or east-west trade. It is saying that it is not seeking a special status for Northern Ireland. If it is not sought, it will not be granted.

The Taoiseach does not need me to tell him how reliant so many of our companies are on trade with the UK. Since the vote, they have faced challenges in terms of currency fluctuations in the value of the English pound and the euro. This has had a detrimental effect on many industries, including the mushroom industry and other food industries where the margins are very

low. What will this Government do to support such industries? If tariffs are placed on trade between the UK and Ireland, there is a real risk that good quality jobs, particularly jobs outside of large urban areas, could be lost.

Deputy Mary Lou McDonald: The question tabled by my party leader, an Teachta Adams, was specifically about meetings relating to Brexit since 1 December. The Taoiseach might clarify the position in terms of that timeline.

I raised these issues with the Taoiseach earlier and the lack of coherence in the Government's approach to the issue is alarming. I know the Taoiseach could stand up again and list all the different issues that are a worry, but that is not good enough at this stage. Deputy Troy rightly cited deep concerns about vulnerable jobs throughout the country. He mentioned the mushroom industry. I remember as far back as August when I was in Tipperary town working on a different issue. As it happened, 60 or 70 jobs were lost in Tipperary - deep in the south - and those losses were attributed to sterling fluctuations, Brexit, uncertainty and so forth. For the people of Tipperary, all of a sudden the reality of Brexit was no longer a matter of concern for those up in the North. It was very much on their own doorsteps. I use that as a single illustration.

We all have a responsibility to ensure that we come to a coherent position on these matters. It is in all of our interests. There is no sense that the Taoiseach's Administration is anywhere close to that. It sounds to me as though the Taoiseach is taking the position that it is everyone's responsibility, and therefore no one's responsibility, to have a plan - not a list of aspirations - for all of Ireland. The Taoiseach is well off the pace in that regard.

Deputy Brendan Howlin: These two questions relate to meetings the Taoiseach has had. I will keep my other question relating to the outcome of the European Council meeting until later.

Yesterday I was trying to get a handle on the structure within the Department of the Taoiseach and the Department of Foreign Affairs and Trade in terms of the preparation for these meetings, including the Taoiseach's preparation for the meetings. Who is the lead official dealing with Brexit? Is it the second Secretary General in the Taoiseach's Department or the second Secretary General in the Department of Foreign Affairs and Trade? What structure is in place for the European affairs and Northern Ireland divisions within the Department of Foreign Affairs and Trade to input into the unit that the Taoiseach has expanded within his Department, as European affairs moved over to the Department of the Taoiseach in the last Administration?

There are now three units. There is a European affairs unit in the Department of Foreign Affairs and Trade and there is another one in the Department of the Taoiseach and there is a Northern Ireland element in both the Department of the Taoiseach and in the Department of Foreign Affairs and Trade. What is the line of management? How is this co-ordinated? All of us are profoundly worried after the very hard line position enunciated by Prime Minister May yesterday.

Deputy Joan Burton: I raised this issue with the Taoiseach on numerous occasions, both as Tánaiste working with him in government and subsequent to the general election. I see no compelling evidence that this Government is ready to face the difficulties and rigours that the Brexit negotiations will bring. I advised the Taoiseach months ago to give consideration to the giving of responsibility to a senior Cabinet Minister who would be the line leader because, as Taoiseach of the country, inevitably he is not able to do everything himself.

Perhaps the Taoiseach will enlighten us because there are interdepartmental rivalries. His Department has grown bigger, yet we have expert diplomats in the Department of Foreign Affairs and Trade who will have to do an awful lot of the groundwork. However, where are the skilled negotiators of trade deals and the skilled lawyers? We have outstanding people who have served at a very high level at different times and in different functions in the European Union, yet we get the sense that the Taoiseach is top-down on his own expanding Department and that there is a rather more minor role given to the Department of Foreign Affairs and Trade.

As a country, we are not putting our best foot forward in protecting our interests as well as those of the North and the whole island. The Taoiseach owes us a convincing explanation. It is one thing to be able to whisper in Angela Merkel's ear but trade negotiations are tough stuff in which experts need to be involved.

The Taoiseach: The reason I set up a specific Cabinet committee, which I chair, is that the European Council decided that the political oversight of the negotiations conducted on behalf of the European Union by Michel Barnier will rest with the European Council, that is, the leaders - prime ministers and so on - of the governments of the 27 other member states. Every Minister feeds into the Cabinet committee and, as needs be, Ministers are asked to respond in respect of the challenges Brexit presents to their Department, line Department or whatever. We have people in the Department of Foreign Affairs and Trade who have skill in diplomacy and other areas and, as I mentioned yesterday, we have a range of skills available to the Government to deal with the issues that arise.

Deputy Burton spoke about the difficulties and rigours. Negotiations have not even started yet. Since last October, people have been calling on the British Government to give clarity. What we needed was an understanding of what the proposition will be for the future relationship of the United Kingdom with the European Union. We have a declaration from the British Prime Minister as to what that means. We now have to consider that once Article 50 is triggered.

Article 50 is a simple article which states that once a letter is received by the European Commission indicating an intent to leave the European Union, there are two years to carry out negotiations. If, at the end of the two years, negotiations have not been completed, the country in question will no longer be a member of the EU.

Deputy Joan Burton: That will be tested in court.

The Taoiseach: Extending this period would require unanimous approval by the European Council. In theory, given that this has never happened previously, the formal negotiations as to the kind of framework that would apply should only begin then because the article states that the future framework must be taken into account before the country leaves the EU. How can it be taken into account if one has not defined what it actually means? These will be highly complex considerations and there will be rigours and complications.

In respect of Deputy Mary Lou McDonald's point, we have had the first meeting of the all-island forum and 12 sectoral groups are now meeting. The second meeting of the all-island forum will take place on 17 February. The issues we have raised and which have been agreed at the North-South Ministerial Council and other locations were referred to specifically by the British Prime Minister yesterday. Clearly, there are matters of serious import but I assure the House that we have been preparing for this for some time without knowing the details of what

decisions would be made.

Deputy Brendan Howlin: Will the Taoiseach outline the structure involved in that?

The Taoiseach: Ireland is better prepared for this than most other countries. It may not be of interest to some other countries that there is an election under way in Northern Ireland. I heard the Prime Minister state yesterday that all the devolved administrations would be represented on the British negotiation team. I have outlined our priorities on many occasions.

While I am not responsible for the issue of sterling, it has clearly caused a problem for Bord Bia - we heard figures of between €300 million and €500 million - and the mushroom industry. The Government has responded to that immediate problem by making available low interest, long-term credit. We need to look at new markets for Ireland in the eurozone and beyond. I met last week with officials from the Department of Jobs, Enterprise and Innovation who outlined a whole programme of events and opportunities for Ministers, agencies and businesses to promote their business in new markets. These will, I hope, consolidate these companies and employment.

I have offered to give regular briefings to the parties about Brexit issues as they arise.

Deputy Brendan Howlin: If we had a Department with responsibility for Brexit, we would know who was responsible for what.

The Taoiseach: The second Secretary General of the Department of the Taoiseach is the person in charge of the Brexit negotiations. Senior officials are called together on a regular basis and there is liaison with Belfast, London and Brussels. They are all subject to his call.

Deputy Brendan Howlin: Will the Taoiseach have an organigram done and circulated to us?

An Ceann Comhairle: Given the time, we will proceed to Question No. 4.

Cabinet Committee Meetings

4. **Deputy Gerry Adams** asked the Taoiseach if a meeting of the Cabinet committee on health took place on 12 December 2016. [40126/16]

The Taoiseach: The Cabinet committee on health did not meet on 12 December 2016. However, it did meet on 13 December 2016 and 11 January 2017.

Deputy Mary Lou McDonald: I thank the Taoiseach for clarifying that the committee met on 13 February rather than 12 February. Having established that meetings took place, I will ask the Taoiseach about the content of those meetings. As we all know, despite the Government's trumpeting about increased funding to reduce waiting lists, including the resurrection of the National Treatment Purchase Fund, the numbers of people waiting in emergency departments and on waiting lists for treatment in the hospitals have increased. According to the Irish Nurses and Midwives Organisation, the trolley numbers last November were the worst since records began. Over Christmas and the new year, the position got even worse, with the numbers of people on trolleys exceeding 600 at times. Every day was a crisis in this regard.

The Minister for Health, Deputy Simon Harris, announced the winter initiative last Septem-

ber. When we raised concerns at that time the Minister claimed the Health Service Executive was sufficiently resourced to deliver on its service plan. All the evidence flatly contradicts that assertion. Does the Taoiseach accept that, in the absence of meaningful engagement with trade unions and, crucially, front-line staff and medical professionals before ministerial announcements and governmental fanfare, the Government is destined to deal with crisis after crisis on an ongoing basis?

In addressing the general issues, I also ask the Taoiseach to comment specifically on mental health. The absence of 24-7 crisis intervention services is causing an ongoing crisis and costing lives across the country.

Deputy Brendan Howlin: As we are discussing a Cabinet committee, I do not expect the Taoiseach to give explicit detail of what was discussed at its meetings. He will recall that I attended many Cabinet committee meetings on health in the past five years.

I was struck by the intervention of Deputy Seán Barrett this morning. All of us, particularly those in opposition, can focus on the failings of the health service. What we need, however, is some form of accountability. If we are expending the bones of €20 billion on health services, why do we not have a better health service?

What happened in recent weeks was highly predictable because it happens every year and preparations had been made. A winter initiative was announced in September and a waiting list initiative was funded and prepared. In addition, the expansion of the fair deal scheme was supposed to meet the full demand for fair deal places and ensure nobody spent time in hospital if he or she should not be in hospital. Additional home care packages were also announced in advance of the Christmas recess. Despite this, the pressure on accident and emergency departments has been unprecedented this year. How has this occurred? Is anybody responsible or accountable? That was the fundamental question asked by Deputy Barrett this morning.

Deputy Joan Burton: Having also attended the meeting of the Committee on Budgetary Oversight yesterday, I was disappointed at the amount of information made available to the committee, contrary to what was promised. In regard to health, the amount provided in respect of the overspend on health is €782 million, which, as pointed out earlier by Deputy Seán Barrett, is an astonishing amount. Less than a couple of weeks after we received that information, the chief executive of the HSE told us that if we were going to have a functioning health service a further €9 billion would be required over a number of years.

Like the Taoiseach I have attended many Cabinet sub-committees. There are five Ministers attached to the Department of Health and numerous public servants in that Department and in the HSE. I have attended meetings of the Cabinet sub-committee on health at which there were so many people trying to gain access one could have sold tickets for them. As I said, the chief executive of the HSE has stated that on top of the current €782 million spend on health services an additional €9 billion is needed. In the context of the Budgetary Oversight Committee, is it possible for Members to be given more details on the health spend such that we can find out what is happening to people's hard earn taxes, USC contributions and so on? They are paying to fund provision of a proper health service that does not allow elderly, sick people to remain on hospital trolleys indefinitely, which is something we all want.

Deputy Robert Troy: In regard to Deputy Burton's statement that the demand to attend the health sub-committee a number of years ago was so high they could have sold tickets for it, the

Labour Party was in a position to do something about that but it did nothing.

Deputy Brendan Howlin: Like what? Fianna Fáil destroyed the country and left it broke.

Deputy Eugene Murphy: The Labour Party did nothing.

Deputy Robert Troy: In recent years, the Cabinet sub-committee on health has played a damaging role in the health service. It has been confirmed many times that it is a forum through which members of Government have interfered with the HSE's annual plans in order to cover up pressures. What they have done is over-promise and under-deliver, evidence of which we saw in December last. On many occasions my colleague, Deputy Kelleher, Fianna Fáil Party spokesperson on health, raised the issue of overcrowding and the trolley crisis in our hospitals and the Government's plan to deal with those issues during the winter. On each occasion Deputy Kelleher raised that issue the response of the Minister for Health was that there was no cause for worry as the Government had extra money available to it and the winter initiative would solve all problems. What happened last December? We had the highest ever number of people trolleys on record.

I agree with the comments made earlier by Deputy Seán Barrett, who is a member of Government side of the House, that putting more money into a service with no accountability is not the answer. The reason there is no accountability is that at the top of the equation there is political interference in the HSE plan to keep people on board.

Deputy Brendan Howlin: The Deputies were demanding political interference every second day.

The Taoiseach: Deputy McDonald is wrong when she says that the waiting lists are worse than ever. This morning, according to the HSE TrolleyGAR system there were 388 on trolleys which, although it represents a reduction of 10% on the figure for the same day last year, is still too high. Trolley numbers remain a significant concern. There are hospital pressures today in Kilkenny, Drogheda, Portlaoise, Mullingar and the special delivery unit of the HSE is monitoring these sites and providing the support to the system that is needed.

Everybody is aware that more money than ever is being pumped into the health system. We should not decry the good and progressive work that is being carried on in so many hospitals by many medical personnel. People who have been through the system are very complimentary of the treatment they received. I accept there are pressures, some of which are the result of referrals to hospitals when the system is blocked up. I made the point earlier to Deputy Seán Barrett that we are building many primary care units around the country, the objective of which is to ensure that people do not have to go to hospital in the first instance. The Minister, Deputy Harris, has spoken of the urgent need to agree a new contract with general practitioners. I understand that the current contract has been in place for many years.

Deputy McDonald is incorrect in her statement today in respect of the number of patients on trolleys. I admit the numbers in this regard are too high but they have improved. Deputy Howlin asked the important question of whether anybody is being held responsible for this. The Minister has written to all of the line managers in the hospitals in regard to their responsibility, following acceptance of the HSE proposition and more money than ever being pumped into the system, to stay on budget. As the Deputy will be aware, there can be no further supplementary budgets in the course of a year. The winter initiative is an important element and €40 million has been put into it to help reduce delayed discharges, which have reduced from a high of 659

in early 2016 to less than 500. The HSE has exceeded the target in terms of the number of delayed discharges nationally, which stood at 464 on 10 January last and stands at 388 today. The Minister meets on a regular basis with HSE senior personnel on these issues.

As all Members are aware, difficulties arise in the health service at particular times, be it in regard to medical cards, orthopaedic services and so on. Many of our older hospitals need serious injections of capital to bring them up to standard. I hope that this can happen following the evolution of the hospital groups into hospital trusts such that people can make decisions about what we want in a country in which there will be 1 million more people in the next 20 years. Every year, 20,000 people in this country pass the age of 65, which means that in the time ahead more people will require care and attention in the community, home care packages and hospital, respite and palliative care and so on. There is a very heavy programme of work ahead for the next 15 to 20 years. It is for this reason the Minister, Deputy Harris, is adamant that we should have agreement at least among politicians here on a ten-year programme in terms of the big decisions that will have to be made in the future. Despite that billions of pounds pumped into the UK National Health Service, NHS, the headlines in Britain in terms of its health services, are the same as they are here, with very trenchant views being expressed.

The Minister, Deputy Harris, is monitoring the situation and is working closely with the HSE and medical personnel to improve the lot of patients who have to avail of our health services. We should be very proud of our service such that in cases where it is first class it is deemed so. I accept that there are problems in terms of the layout of some of our emergency departments. I also understand that in terms of the new emergency department at Wexford layout is not an issue.

Deputy Brendan Howlin: It is a wonderful facility.

Deputy Thomas Byrne: The Deputy certainly looked after Wexford.

The Taoiseach: A number of weeks ago there were no people waiting on trolleys in Beaumont Hospital despite that previously it had one of the highest number of people on trolleys.

Deputy Robert Troy: We need a new emergency department in Mullingar.

The Taoiseach: Of course, We have had all of the rows about need in Mullingar, Tullamore, Portlaoise and so on over the last 40 years and they continue. When one has to make major decisions in respect of hospitals one understands the consequences of these things. We need a ten-year programme to identify what we want in various locations around the country, including what type of services should be provided and so on so that people can get the very best attention and treatment in terms of their needs. For now, more money than ever is being pumped into our health service. The Minister has notified line managers of their responsibilities to stay within budget. Hopefully, things will improve as the year goes on.

Deputy Mary Lou McDonald: In regard to the Taoiseach's statement that in terms of the trolley count the situation has improved on what it was before, one would think that he means they have improved on what they were in the dim and distant past.

2 o'clock

He means it is better than last week and better than over Christmas. That is the recent past. What I am trying to understand is the extra value the sub-committee brings to bear. It seems

18 January 2017

we are going around in circles, with the Taoiseach in a state of denial over just how serious circumstances are. Does he make decisions? What influence has he on the Minister for Health and his decisions?

The Taoiseach: The Government decides on the basis of the moneys available to it to allocate to Departments. This year, 2017, more than ever before has been allocated to the Department of Health and the HSE to provide a range of services across a very broad spectrum for people all over the country. Parallel to that, we are working with some of the Ministers who were mentioned in respect of the mental health area, where money has been provided, and in respect of the prevention of illness, a healthier Ireland and a more conscious Ireland. These are all elements for all our people. More than ever before is being pumped into the health area now.

Deputy Mary Lou McDonald: Did the Taoiseach not hear my question?

The Taoiseach: Some very beneficial and good systems are being put in place.

Deputy Mary Lou McDonald: That is fantastic but it does not answer my question.

The Taoiseach: We still have quite a distance to travel.

Deputy Mary Lou McDonald: Does the Taoiseach influence the Minister's decisions?

The Taoiseach: The Minister, Deputy Harris, is working extraordinarily hard at his job and will continue to do so.

Deputy Mary Lou McDonald: That is not what I asked either.

Priority Questions

DEIS Review

27. **Deputy Thomas Byrne** asked the Minister for Education and Skills the status of the review of the delivering equality of opportunity in schools, DEIS, programme; if he will put in place the measures suggested by the ESRI review of the programme, namely to taper funding and enhance supports for urban DEIS schools; and if he will make a statement on the matter. [2011/17]

Deputy Thomas Byrne: The question relates to the DEIS programme. The issue with the programme is that it has not really been expanded at all since it was established by the Fianna Fáil Government in 2006, with no new schools admitted to it since 2009. The Minister has been telling us there is a review of the programme under way. We had expected an announcement before Christmas on the programme's expansion. The Minister's own action plan called for this to be achieved in the last quarter of last year, I believe, but it has not been achieved. There are many schools that qualify for the programme but which cannot participate because the opportunity simply does not exist or because they cannot be admitted.

Minister for Education and Skills Deputy Richard Bruton: I thank the Deputy for raising this. As he rightly points out, the new action plan for educational inclusion will be published in the coming weeks. This follows a detailed review of all aspects of the so-called DEIS programme, including the range and impact of different elements of the school support programme, the potential for innovation within and between schools, and its scope for increased

integration of services provided by other Departments and agencies, in order to improve effectiveness.

The development of a new assessment framework using centrally held CSO and departmental data for the identification of schools for inclusion in a new programme is also included in the review process. Implementation of actions arising from the plan will begin in the 2017-18 school year.

The ESRI report referred to by the Deputy, entitled “Learning from the Evaluation of DEIS”, was commissioned by my Department to inform the current DEIS review. It provides an overview of available information on the impact of DEIS supports for schools. The report considers a number of important aspects relating to current practice in DEIS schools, including the potential to taper supports to schools and the need to continue to target more resources at urban band 1 schools. This report, together with the wide-ranging consultation conducted, will inform the final measures adopted under the new plan for educational inclusion.

Deputy Thomas Byrne: I welcome the Minister’s commitment to putting a new or expanded scheme in place in September but all the while he is perpetuating socio-economic gaps in educational outcomes by maintaining the cap. In recent years, there have been schools that simply could not participate in the programme. Students are losing out as a consequence. It is a deliberate policy. How long does it take to put a new assessment system in place to determine DEIS status? Does the Minister know how many disadvantaged schools do not have DEIS status? How many new schools, which are in newly developed areas in many cases, do not have such status? Since the cap was imposed on the programme in 2011, a number of new primary schools have been built. Thirty new primary schools were established between 2011 in 2013 and they are simply out of the loop. Many of them are suffering on. Educational outcomes and students are suffering.

This matter is urgent. The Minister needs to send out a signal as quickly as possible. It is very worrying that this is being delayed past the deadline set out in the action plan. I am worried it will be delayed again, beyond September of this year, the deadline the Minister has suggested.

Deputy Richard Bruton: The impact of the DEIS programme has been positive. We have seen positive improvements in both literacy and numeracy in the schools but they have not closed the gap. It is clear that the programme is effective but it needs to do better.

On the question the Deputy raises, there has been no new school in the programme since 2009. It is in that year that the embargo was imposed.

Deputy Thomas Byrne: I said that.

Deputy Richard Bruton: Until we apply the new model, we will not know the exact number of schools that will come up for inclusion in the 2017-18 year. I have, however, secured resources in the recent budget to provide for an increased number of participating schools and also to fund some new initiatives that would respond to some of the issues the Deputy rightly adverts to in the ESRI recommendations on the issue.

Deputy Thomas Byrne: Can the Minister outline to the House the number of schools the funding is expected to cover? Can he guarantee that schools that have the resources at present will not lose them as part of the review?

18 January 2017

Deputy Richard Bruton: We have not got the numbers at this stage. That will depend on the application of the detailed model, which is based on CSO and departmental data. We are however, making provision for a significant number of schools, but that number will be finalised only when we complete the research.

School Transport Review

28. **Deputy Carol Nolan** asked the Minister for Education and Skills his views on the school transport review. [2013/17]

Deputy Carol Nolan: I wish to raise again the issue of school transport and the current review issued just before Christmas. Could the Minister of State outline his response to the review?

Minister of State at the Department of Education and Skills Deputy John Halligan: I thank the Deputy. As she knows, the programme for Government committed to a review of the concessionary charges and rules element of the school transport scheme. It was commenced in June 2016 and published in December of that year. As part of the review process, I established an Oireachtas cross-party working group, of which the Deputy was a member, to feed into it. That group met to discuss school transport issues. The review published in December made recommendations on both the charges and the rules element of concessionary school transport.

As outlined in the review, there have been a number of reports on the school transport scheme over the years, and the current scheme is based on a detailed value-for-money review published in 2011. This is very important. I have said this on many I was dealing with a full review published in 2011. Therefore, the current review did not deal with the range of issues dealt with in the 2011 report. It could not because the 2011 review was a full value-for-money review.

With regard to the charges for concessionary school transport, the recommended course of action was to continue with the current position whereby charges remain in place for those in receipt of concessionary places. I agree with this recommendation on the basis that those applying for concessionary transport are making a conscious decision to do so and understand the implications of this choice at the time of application. That is made quite clear to applicants.

The report also recommended that the number of concessionary places be reduced in line with the rules introduced in 2012 on a phased basis. Previous plans to advance this option were put on hold pending the completion of the review. Upon consideration of the review and discussions with the cross-party working group, however, I decided there should be no planned programme of downsizing in the coming years, except in line with normal operational decisions within the current scheme.

Deputy Carol Nolan: I thank the Minister of State for that response but I am very disappointed with it. I was a member of the cross-party group. I expressed very clearly to the Minister of State the concerns of rural communities.

It is clear that this issue does not arise in the Minister of State's constituency. If it did, he might be more active on it. What is occurring is not good enough. I expressed my concerns. The cross-party review group did not even have an agenda. At the meeting, I expressed very

strongly the views of many people across this country, not just in Offaly. It is not good enough that 6,882 children were affected by cuts to concessionary transport. The Minister of State made a commitment that no child would lose his or her seat on a school bus. We have communities that are disadvantaged. In one case in Donegal, a bus is running across a mountain, leading to health and safety issues. This is as a result of the review and the Minister of State's inaction on the issue. I call on him to examine the matter. Clearly, it does not concern his constituency, but it concerns thousands of children across the country.

Deputy John Halligan: The Deputy was out of order to discuss my constituency. I happen to be the Minister of State for the whole of the country, not just for Waterford, Cork or Donegal constituencies.

Deputy Carol Nolan: The Minister of State is not showing that through his inaction.

Deputy John Halligan: I take representations from every Member, including many from the Deputy's party-----

Deputy Carol Nolan: The Minister of State did not.

Deputy John Halligan: -----who have been successful in their applications to me.

People are unclear regarding concessionary transport. The problem is that, although it has been dramatically increased in recent years to approximately 25,000 people, the scheme is still based on the amount of money that is made available to my Department. I make this point consistently - I am not in a position, nor would I want to be, to stop any child from being transported anywhere. Some 115,000 children, including 10,000 with special needs, are transported everyday and 99% of families are happy with the scheme. There are difficulties, and I am doing my best to deal with them.

If someone, or Fianna Fáil and Sinn Féin combined, demanded a further €20 million, €30 million or €40 million to be invested in the scheme, that would be fine and I will be able to deal with all of it and ensure another review-----

An Leas-Cheann Comhairle: I thank the Minister of State. He will have a further opportunity to respond.

Deputy John Halligan: -----to allow everyone to get school transport, but that is not the case as it is.

An Leas-Cheann Comhairle: I want to stick rigidly to the times.

Deputy Carol Nolan: I thank the Minister of State, but I am disappointed by his response. He has evaded the issue again. I sent a comprehensive submission to the Minister of State on this issue but received no feedback. I brought up a group of parents who told the Minister of State about how it had been impacting on their lives. It is a further attack on rural communities and evidence that the Minister of State is not doing his job. He is the one who came to the Chamber and made the commitment that no child in receipt of a concessionary ticket would lose a seat on school buses, yet thousands have.

Deputy John Halligan: The Deputy is completely wrong. I made a clear commitment that any eligible child who was entitled to school transport would get it. There are no children who are eligible for school transport who do not get it. The concessionary scheme was set up to

18 January 2017

deal with eligible children. If places on buses became available because eligible children could not fill them, children in the concessionary scheme could have them. The Department is, to the best of its ability, transporting 25,000 children under the concessionary scheme who would otherwise not be entitled to school transport.

Of course there are faults in the scheme, but the Deputy should remember that I am just seven months in this job, the issue is a major one that affects many people and I am trying to deal with it. Everyone who has needed to meet me has done so. Indeed, many Members of the Deputy's party have met me. Sometimes, we were able to deal successfully with some of the issues that they raised. As Minister of State, however, I am bound by rules, regulations, legislation and financial wherewithal. To the best of my ability, I try to ensure that no children - concessionary or eligible - lose their positions on school transport.

Deputy Carol Nolan: Thousands have.

School Curriculum

29. **Deputy Thomas Byrne** asked the Minister for Education and Skills the status of the implementation of the new coding curriculum in schools; the reason for the delayed roll-out of the new coding courses; and if he will make a statement on the matter. [2012/17]

Deputy Thomas Byrne: This relates to the short coding courses at primary and secondary levels. What is the Minister's vision for putting coding on the school curriculum? It has become a buzzword in some circles. What does the Minister mean by it, what impact will it have on the curriculum and what will children actually learn?

Deputy Richard Bruton: I thank the Deputy for raising this important issue, in which respect there have been developments across the primary and post-primary sectors. The Action Plan for Education includes a commitment to developing a new subject specification for leaving certificate computer science, which will help to harness and develop student interest in this strategically important discipline.

In this regard, the National Council for Curriculum and Assessment, NCCA, recently commenced the curriculum development process, with a view to the subject being introduced to schools from September 2019 following a period of professional development for teachers of the subject. The formulation of curriculum and assessment arrangements is a complex and intensive process. It can involve research, analysis, action research or piloting in schools and extensive consultation with stakeholders, including students, parents, teacher unions and others. This is then followed by a period of professional development for teachers. I am exploring whether the projected timescale for leaving certificate computer science can be adjusted so that implementation in schools can commence sooner.

At junior cycle level, a short course on coding developed by the NCCA is available to schools on an optional basis. This course looks to build on the coding skills that primary students may have experienced while offering insight into possible future studies in computer science and software engineering.

At primary level, the NCCA, at my request, is considering coding as part of a wider review of the curriculum, including the introduction of computational thinking and flexible and cre-

ative thinking skills into the mathematics curriculum. A new primary school curriculum for junior infants to second class is planned for implementation from September 2018. As part of this, I am exploring the introduction of an initiative in the area of coding at primary level. There is also a transition year module relating to having fun with computer programming and games.

In addition to these initiatives, a large number of schools are running voluntary coding programmes through initiatives such as CoderDojo, which we should learn from to improve the outcomes of the education system for our children.

Deputy Thomas Byrne: There does not seem to be a vision for this. Computer science will be rolled out at leaving certificate level in approximately three years' time, but the short courses at junior certificate level are almost non-existent. Twenty-two schools will run them next year. To my knowledge, they will not be ASTI schools, given the industrial action. For this reason and because the Department will not have rolled out enough courses, a large number of children will not have the opportunity to take them.

The Minister needs to express an expanded vision of what he means in this regard at primary level. In fairness, the introduction of coding gets headlines, but there is little or no coding in schools at the moment according to the Minister's answer. There has been slow progress with computer science at leaving certificate level even though it could be a useful subject. The Minister has started the ball rolling with the NCCA. The more I look at that, though, it is a very drawn-out process in respect of primary level. Much more work remains to be done and more substance and results are required. Otherwise, we will fall behind. The Minister is relying on what people are doing voluntarily. Many parents have the initiative and ability to do this work with their children, but many kids will lose out because they are from different demographics and so on.

Deputy Richard Bruton: It is important to highlight the fact that the Department has, since before my time there, had a strategy in place to integrate digital into the education system. There are two major elements to this, the first of which is the roll-out of ICT programmes for children. The second is the availing of ICT's potential in the teaching of all subjects. There is a strategy to develop this aspect and I am reviewing the situation, given that we are approaching mid-term, to determine whether we can introduce new targets and accelerate action.

I accept the Deputy's comments on the delay or slowness. Actually, it is not a delay, as the NCCA is working to a programme. However, it is a slow process that involves background papers examining best practice, the introduction of a draft specification, taking feedback from those at the coalface, finalising the specification and undertaking teacher training. There is a supply chain, as it were. When I sit down with the NCCA, I will determine whether there are elements of that chain that we can shorten. Each element is important and I do not want to sacrifice quality by pushing for delivery alone. I will try to determine whether the process can be accelerated, but I assure the Deputy that we will include in our 2017 programme additional digital initiatives in our education system.

Deputy Thomas Byrne: The difficulty, not just with the educational agenda, but also with the skills agenda, is that each country appears to be pulling down the shutters. Consider Brexit and Trump. Everyone is looking after himself or herself and we are falling behind. The situation requires urgency and I encourage the Minister strongly. We should not interfere in the NCCA process, which must be non-political, but it appears to be unwieldy. The programming languages that we learned at school are completely obsolete now. Some were obsolete while we

were learning them, if truth be told. The world is changing constantly. That is the point. We need to keep up to date. The NCCA process is very good. It is very well intentioned and the right body of people are involved in it but it is taking too long in this fast moving sector. Britain is already ahead of the game in that regard and parents in this country are already ahead of the game but, as usual, the State is behind the curve. We need to ensure all students are up to date because we will face severe challenges and we must improve those skills and widen the skills base. This is a very important part of the process but it must move quickly.

Deputy Richard Bruton: First, I reassure the Deputy that we are not falling behind, in the sense that at third level we are at the top in Europe in terms of the take-up of STEM. Our performance in the recent PISA results in both mathematics and science is very strong but there is room for improvement. The Deputy is correct to recognise that this is an area where action is needed. Recently Brian MacCraith produced recommendations on integrating STEM into the education system and I have committed to publish a response within the first half of this year and to follow it up with actions. A total of 21 of the recommended actions he has advocated are being put in place. I share the Deputy's view that if we can at all, we must accelerate the process, but we must be conscious that quality is crucial at the end of the day.

Schools Mental Health Strategies

30. **Deputy Richard Boyd Barrett** asked the Minister for Education and Skills if he will consider a proposal on behalf of mental health activists to make it mandatory for schools to insert an advertisement for Pieta House and its services on the inside cover of all school journals as a national mental health initiative and in particular to normalise accessing mental health services for young persons; and if he will make a statement on the matter. [2014/17]

Deputy Richard Boyd Barrett: It is a tragic fact, but a fact nonetheless, that this country has one of the highest rates of youth suicide in Europe and also a very high incidence of self-harm among young people. It is a complex, multifaceted problem to address. A very simple proposal has been made by supporters of Pieta House and endorsed by Pieta House itself. The proposers and people from Pieta House are here with us in the Gallery today. The proposal is that an advertisement for Pieta House's services, the helpline for young people with suicidal feelings engaged in self-harm or experiencing suicidal bereavement, would be in the journal of all school students. It is a cost free, simple, practical proposal that the Minister could implement.

Deputy Richard Bruton: I will ask my officials to look at the possibility of doing what Deputy Boyd Barrett suggests. By way of context, it is down to individual schools to decide what material they put into their journals. There is not a central direction in respect of the material in journals that schools put together. It is up to the schools to develop them. What we do is provide guidelines for schools, both primary and post-primary schools, and emphasise the importance of connection to resources outside of the school. It is consistent with what Deputy Boyd Barrett said that we should look at how young people can get access to that information.

I am aware that already the HSE and my Department have been involved in some advertising campaigns which reference website such as *spunout.ie*, *reachout.com* and *letsomeoneknow.ie*, which in turn have links to Pieta House and other services of a similar nature. There is merit in doing that but I am conscious that schools ultimately are the leaders in the way in which they deal with the needs of the children in their care and they design the precise way they will imple-

ment the guidelines the Department sets.

That said, I am very keen to increase the impact of what we are doing in this area. We are rolling out guidance counselling this year, next year and in the years ahead. We are increasing NEPS facilities by 25% under the programme for Government. We are introducing well-being as a subject at junior cycle. There are a lot of trains, if one likes, leaving the station where we need to make sure that those resources we are putting in have a very strong impact on children who are struggling with mental health issues.

Deputy Richard Boyd Barrett: I welcome the Minister's positive response and the indication that he takes the proposal and this issue seriously. On another day I might debate the under-resourcing of mental health services for young people with the Minister for Health. The Minister has responded positively to this simple, practical and cost-free proposal. The Minister is probably aware that Pieta House is a fantastic charity. A total of 20,000 people have used its services in the past decade, with 5,000 using the service in 2015. Pieta House does not charge anything for its services and one does not need a doctor's referral to get through to it. This is an ideal opportunity to do something, essentially, to normalise access to services which support vulnerable young people who have suicidal feelings who are self-harming so that it just becomes part of the everyday environment that the services for Pieta House are available and young people know where to get them, and that there are no obstacles to accessing the services. I appeal to the Minister to ensure the information is made available in the way outlined in the proposal. I take the point that he cannot impose such an approach but could we issue guidelines suggesting it is done and request that schools would take up this very positive proposal?

Deputy Richard Bruton: I will ask my officials to examine how this can be best approached. What we are trying to do is make sure that the school environment is one in which young people feel safe, supported, confident, resilient and have the ability to look for help for themselves and the confidence not to feel there is any stigma attached to looking for help and having the resources available either from directly going to a counsellor or other person within the school who can refer them on. We are very keen to have that sort of support for young people and the Deputy's suggestions are worthwhile in that context. I will get my officials to assess how we can integrate Deputy Boyd Barrett's suggestion.

Deputy Richard Boyd Barrett: I again thank the Minister for the positive response. Several of the recommendations of the Children's Mental Health Coalition highlight this sort of thing as being critical to helping young people with those issues. They include the need for more mental health promotion, for capacity of the primary care sector to increase accessibility of child and adolescent mental health services and for local alternatives to inpatient services. Again and again the coalition underlines the need for that accessibility for young people in particular. Every schoolchild has a homework journal so if we could progress the proposal and the information was there in front of them it would be a huge contribution to supporting vulnerable young people when they get into difficulty and ensure there are no obstacles or stigma attached to accessing the services of Pieta House. I look forward to working with the Minister to progress the issue, which I hope we can do together.

Deputy Richard Bruton: My Department is represented on the task force chaired by the Minister of State, Deputy McEntee, which specifically targets youth mental health. We are very keen that we come forward with initiatives through the education system that can support what is a very serious challenge for us. I look forward to developing the issue. I have undertaken an audit of our activity in this area with a view to sharpening the impact of what we do.

18 January 2017

Third Level Funding

31. **Deputy Thomas Pringle** asked the Minister for Education and Skills if he will take on board concerns represented by the Union of Students in Ireland and other representative groups if an income contingent loan scheme is established on the basis of the Cassells report; his views on whether it is a viable solution to third level funding as a graduate debt of more than €20,000 will create a two-tier system of higher education, furthering inequality in society; and if he will make a statement on the matter. [2015/17]

Deputy Thomas Pringle: The question relates to the Cassells report on funding for higher education. I wish to hear the Department's views on a proposed student loan scheme that could potentially add €20,000 of debt to graduating students.

Deputy Richard Bruton: The report of the expert group on the future funding for higher education sets out a number of funding options for the sector with income contingent loans being just one of those options. Other options include a predominantly State-funded system or a State-funded system supplemented with continuing student fees.

As the Deputy is aware, the report is currently with the Oireachtas joint committee for consideration where each of the funding models will be examined and the process will include input from all stakeholders. I understand the Union of Students in Ireland is one of the groups which has made a submission.

It will be important to obtain political and societal consensus on achieving a sustainable funding model for the higher education sector in the future and my Department and I continue to work with the committee as it undertakes this important job. However, it is important to recognise, as the Cassells report has done, that doing nothing is not an option and that other measures to improve equality of access would also be necessary to complement any of the options outlined.

Funding overall for the higher education sector is a key concern for me, particularly in light of the additional pressure that will fall on the system over the next decade or so. That is why I am pleased that I have for the first time in nine years secured additional funding for the sector with an extra €36.5 million being made available this year and a projection for the coming years of increased resources amounting to €160 million in the next three years. This includes an increase in the funding available to students from disadvantaged backgrounds and other under-represented groups to assist them in overcoming financial barriers to accessing and completing higher education.

In addition, in budget 2017, the Minister for Public Expenditure and Reform and I announced a policy review with the aim of designing and implementing a sustainable and predictable multi-annual funding model for higher and further education and training involving increased employer and Exchequer contributions from 2018. The review will be undertaken as part of the overall response to meeting the anticipated skills needs in the economy over the coming years in line with the policy framework set out in the national skills strategy. It will include an analysis of the business case for enhanced investment in the higher and further education and training sectors and of the most effective funding mechanisms to deliver outcomes in respect of our ambitions in this area. In this context, it will identify key elements of the new funding model and of the expected impacts, including those on employers. It will also include consultation with stakeholders. It is expected that the review will be published by the end of

April 2017 and will complement the ongoing work by the Oireachtas Committee in regard to the Cassells report.

Deputy Thomas Pringle: I thank the Minister for his response. I am bit confused about the review he outlined. It is happening in parallel with the work of the Oireachtas committee in respect of the Cassells report. It seems it will cover much of the same ground. The question will relate to a student loan scheme that is a consideration. It appears that the view of all the major parties is that the student loan scheme is the way to go and that kicking it to the committee is a way of trying to lengthen the decision-making process. In light of the fact that in the UK in 2015, student loan debt was £86 billion and the Union of Students in Ireland has estimated that under a student loan scheme, a graduating student could pay anywhere between €100 to €150 per month in student debt repayments, I want to find out whether the Department is actively considering a student loan scheme and whether the review will look at rolling it out.

Deputy Richard Bruton: It is not true that we are duplicating because any envisaged future outlined by Peter Cassells and his committee would envisage an increased contribution from the Exchequer and an increased contribution from employers. We are advancing that with an April deadline so that we are in a position come next year's budget to indicate a future path for the funding of higher education. In this year's budget based on Exchequer resources alone, we have indicated a three-year path of increased resources. There is no doubt that Peter Cassells's report has also thrown up the issue of whether that will be sufficient and whether we need to envisage changes in the way we now fund higher education.

As the Deputy is aware, his proposals envisage that there will be no fees for someone going into college so it would be free at the point of participation but that there would be a recovery thereafter. He also points out that it would not be like the UK model but would be modelled more on the Australian system. It is important that Members get the chance to tease out the pros and cons of that approach so that we can develop an agreed approach to this issue if that is possible if we feel that this is the way forward and if not, what the alternative would be. I acknowledge that there are difficulties with a loan model but I also see, as the report points out, that there are considerable attractions in it. We need to do the work that the Oireachtas committee is undertaking. I hope we will be in a position come next year's budget to indicate a consensus view as to how we should proceed on the issue.

Deputy Thomas Pringle: Australian students graduate with up to \$50,000 in debt and I know there are problems there with repayments. The overall point about a student loan scheme is that it represents a commercialisation of the third-level educational process, which I do not think is of value. How would the Department prevent that and prevent banks from capitalising on and looking at students as economic units they can make profit out of rather than looking at the educational benefit that students who have been educated at third level can contribute to our society and economy in the future? Is that something the Department will give active consideration to rather than just looking at the economics of a loan scheme?

Deputy Richard Bruton: I do not think this is envisaged as some sort of commercialisation. At the moment, people pay fees so there are student contributions and students or their parents must find them while they are studying. The report suggests that we look at an alternative where people do not pay anything while they are studying but there is a recovery when their income goes over a certain figure and that this is how they would contribute to the cost of their education. It is not applying some commercial model. It is using a different profile of collecting a contribution from students who participate. The report has pointed out that people who

18 January 2017

complete a third-level education have considerably higher earning capacity. That is the issue we need to assess. There will be different views in the House. I know some parties have very strong views. The Union of Students in Ireland has a view while others within the universities have a different view. It is our job as an Oireachtas to tease out those views and reach a consensus if that can be reached.

Other Questions

Schools Building Projects

32. **Deputy Thomas Byrne** asked the Minister for Education and Skills the progress of the schools major capital works plan. [1899/17]

Deputy Thomas Byrne: I am looking for a general update on the schools capital programme. A schools capital programme was announced in 2015 with huge fanfare. That fanfare was not the Minister's fault but it only returns capital spending to pre-2011 levels by 2019 so we have a good bit to go. What also concerns me is the cost of projects. While this had gone down during the recession, it seems that it is going up. What, if anything, can be done about this?

Deputy Richard Bruton: I am pleased to advise the Deputy that my Department's capital programme continues to address the challenge posed by a rapidly increasing school population. To meet this demographic challenge, my Department's six-year construction programme for 2016-21 details 310 school projects that are being progressed through the architectural planning process towards tender and construction. The programme will fund the construction of over 62,000 additional school places as well as the completion of large-scale projects that were contained in my Department's five-year plan from 2012 to 2016. I also wish to advise the Deputy that in the four-year period from 2012 to 2016, 178 large-scale projects contained in the programmes were completed, including 50 school projects in 2016. These projects provided 52,062 additional permanent school places and 14,951 replacement school places.

Of the total capital expenditure of €530 million expended on the school building programme in 2016, almost 80% of the expenditure was on the delivery of permanent school places. On 1 January 2017, there were 67 major projects under construction. In addition, there are a further 35 school projects that are expected to proceed to construction in the course of the year. This represents a total of 102 major projects either under construction or progressing to commence construction in 2017.

As the Deputy will appreciate, the success of the schools building programme is predicated on the need to ensure that at any given time, there are sufficient number of school projects available to proceed to construction. If this is not the case, there is the risk that capital monies made available for the purpose of accommodating children at primary and post-primary level cannot be spent and that the State cannot provide for school buildings at maximum capacity. Given that any number of issues can arise at any stage up to construction stage in the process of building schools, it is essential that other projects can be progressed if individual projects are delayed for whatever reason. This can also however have the contrary result that there may be more school projects available to proceed to construction than the available budgetary position will allow.

Additional information not given on the floor of the House

The action plan for education sets out the Government ambitions for the education system, including the commitment contained in the programme for Government, towards the prioritisation of school educational infrastructure.

My Department will fully engage with the mid-term capital review to be conducted by the Department of Public Expenditure and Reform over the coming months. In doing so, my Department will be stressing the increasing costs of providing permanent school accommodation and the opportunities which the school building programme presents for productive capital expenditure in this much needed area of the economy.

Deputy Thomas Byrne: I acknowledge that school building is taking place. I suppose it is a long time since the Department was not building schools in some part of the country. My children's school is the subject of major capital works and we are very pleased about that. However, building has stalled in the case of some schools for reasons that are unfathomable in many cases and this is wrong. What happens is that the Minister publishes a list, local announcements are made by Government politicians, everyone is delighted and then there is radio silence and nobody knows what is going on. That is partly the Department's fault. It might be the school's fault in some cases because some people might know what is going on or there is a problem that is not the Department's fault, but nobody knows that publicly enough. Whitecross National School in Julianstown in County Meath has been sitting on a list for the best part of ten years. As recently as two or three years ago, it was promised that it would be built. I understand the Minister of State, Deputy Halligan, responded to a Commencement Matter on the issue in the Seanad recently. It is just not fair. The parents simply do not know what is happening. While it is not entirely the Department's fault, St. Peter's Church of Ireland school in Dunboyne has just been left hanging there for some time. We want to see real action. I acknowledge there has been some progress. In general the Minister will need to fight to frontload some of this spending in the next year or so. The need is there now and the Minister needs to look for alternative funding sources.

Deputy Richard Bruton: I will give an overview of the additional places. In 2012 just over 3,000 additional places were provided. In 2013 it moved up to 8,000 and for last year it was over 15,000. Therefore, we are steadily increasing the number of schools we are building and places we are providing - that is through new builds. The same is true when it comes to replacing other schools.

I agree we could always use more money. Some 80% of the money is now pre-empted by investment in new capacity. We will be approaching the mid-term capital review that is being conducted by the Department of Public Expenditure and Reform with a view to making the case that this is a very high priority area for investment. I am sure other colleagues will be making cases in respect of their capital programmes.

There are numerous sources for the delays, which are frustrating. There have been planning and design delays. There are numerous areas where the system can run into delays. We are spending every penny that is assigned and we are building even more places every year. Last year between the two it was over 20,000 places. We expect something similar this year and that will continue to be the pattern for the coming years.

Deputy Thomas Byrne: Is the rising cost in the building sector in general a concern to the

18 January 2017

Minister? Does he need to alert his Government colleagues about that in terms of funding? Will it impact on the number of schools to be built? Will schools that are on the list not get built because other projects have cost too much? One school in particular was advised by officials that the money had run out on another project and so its one could not be built. This is the type of talk that goes around, but it is based on reality.

Could the Government use the European Fund for Strategic Investments, the Juncker plan, to access funding for school building? I am thinking of it as an alternative source of funding because we need more buildings than the budget currently allows for.

Deputy Richard Bruton: I am open to considering any possibilities in the PPP area, Juncker funding or elsewhere. As the Deputy knows, the European Investment Bank opened a Dublin office for the first time and there are opportunities to look at funding in education as an area where that could be delivered.

The Deputy is right in saying that costs have risen. When we started to tender in the depths of the recession, costs were very competitive and they are becoming more expensive. We have had to factor that into our planning process. We are using up-to-date costs and we are very careful - sometimes to the frustration of schools - to get value for money on projects coming in.

School Transport Eligibility

33. **Deputy Charlie McConalogue** asked the Minister for Education and Skills if he will reverse a decision regarding school transport whereby children living in Urris, County Donegal, and who attend or will be attending a school (details supplied) have been advised that their nearest school is now in Buncrana as Bus Éireann used a route over Mamore Gap when calculating the nearest school; and if he will make a statement on the matter. [1812/17]

Deputy Charlie McConalogue: Will the Minister reverse a decision which has meant that many children from the Urris area of Clonmady, County Donegal, have to pay for school transport in order to go to the secondary school they have always attended and which is the school nearest to them in a practical sense?

Deputy John Halligan: I spoke to the Deputy on the issue briefly before he came into the Chamber. This has been a consistent and continuing issue since before my time with the previous Minister. It is an issue that has been brought to my attention by a number of Deputies.

Changes to the eligibility criteria for the Department's school transport scheme were announced in December 2010 by the then Government as part of measures contained in budget 2011 and derived from recommendations contained in the value-for-money review of the scheme. This resulted in changes for eligibility in some areas such as the area in Donegal.

Any child who had eligibility under the old rules retained this eligibility provided there was no change in their circumstances. Under the new rules children are eligible for post-primary school transport where they reside not less than 4.8 km from and are attending their nearest education centre as determined by the Department or Bus Éireann, having regard to ethos and language.

Bus Éireann determines distance eligibility by measuring the shortest traversable route, which may be either pedestrian or vehicular, from the family home to the nearest education

centre and it is not necessarily the route that the school bus takes. This was set in rules and regulations. Therefore, the Mamore Gap is used when determining school transport eligibility for children resident in that particular area.

The purpose of this measurement is to assess if children meet the distance eligibility criterion for school transport. In the interests of equity, this is applied on a consistent standard basis across the country irrespective of any local circumstances that may impact on travel conditions on particular routes during parts of the year.

The terms of the post-primary school transport scheme are applied equitably on a national basis.

Deputy Charlie McConalogue: I thank the Minister of State for his response. As we experienced in the last year since the Minister of State, Deputy Halligan, came into office and under the previous Government, I am afraid the response is entirely unsatisfactory and unacceptable.

We know what the scheme is and how it is applied. I focused specifically on Urris in this parliamentary question in order to get the Minister of State to deal with the detail of the implication of how this rule is applied to real communities and real people on the ground.

I know civil servants may be saying we need black-and-white rules and that we cannot be changing things. Civil servants like black-and-white rules, but it is the job of politicians to represent the people who elect them and to ensure that the laws of this State properly cater for the public and are sensible and equitable. This is patently not sensible and a poor use of funds. By using a mountain gap that is not passable by a bus the Department is suggesting that these students should go to a school in Buncrana instead of the school they have always attended in Carndonagh. By doing so their school bus journey would be 16 miles if they were to go to Buncrana instead of the 12 miles at present.

In addition the Government would have to provide another bus to take that route which would be very expensive and would mean the students were travelling further. It is pure nonsense.

Since they are no longer regarded as eligible, in order for these students to continue to go to Carndonagh community school using the current bus that goes past their door, they have to pay the concessionary fare. That fare is €350 per student up to a maximum of €650 if there are two or more students in a family.

This specifically affects students who previously had been eligible and did not have to pay the fare. Therefore, their parents were medical card holders because if they did not have a medical card they would previously have had to pay the fare even if they were eligible. A family with two parents and two children would have to be under the income threshold of €340 per week to qualify for the medical card. That means such a family would have to use up two weeks of their income to pay for their two children to go to secondary school. How can that be equitable and fair? We cannot stand over it and we have to deal with the issue.

Deputy John Halligan: I will go through a few points and then make a recommendation to the Deputy. Sometimes we are asked why we do not use the bus routes to determine eligibility rather than the shortest traversable route. The bus route is designed based on the home address of the children who are eligible for school transport. Given that new children apply for transport each school year, it follows that the bus route may change to reflect the location of the

homes of eligible children. People might ask why mountain passes, which may be impassable during winter months, must be measured when determining eligibility. Distance is measured using the shortest traversable route. This means that mountain passes, pedestrian bridges, one-way streets and so forth are factors when measuring the shortest traversable routes. A variety of methods may be used to calculate this measurement, including the Geographic Information System, GIS. This allows for the equitable measuring of distances.

There are other passes in the country about which there is also an issue but this particular case is very difficult. I have read the information on it very carefully and a number of other Deputies have also raised it with me. I invite Deputy McConalogue to meet me and an official from the Department next week so that we can go through this again. I can see that some of the points the Deputy is making are relevant. I am being honest and upfront with the Deputy when I say that these are the rules and regulations with which I must deal, as they are laid out. The Deputy spoke about common sense, in which I am a great believer. I ask the Deputy to sit down next week with me and a departmental official to talk about the issue. Another Deputy from Sinn Féin representing Deputy McConalogue's constituency also has a problem with regard to the pass. Perhaps both Deputies could come in to the Department next week to discuss it.

An Leas-Cheann Comhairle: I urge everyone to be conscious of the clock.

Deputy Charlie McConalogue: I thank the Minister of State for the offer which I will certainly take up. I look forward to sitting down with him and teasing out this issue. It is unfortunate that this issue was not dealt with last summer, with a new Minister and a fresh approach. This should have been sorted out before now. The Minister of State initiated a review of school transport provision but that review did not take place until after the summer when students were already back at school. It is crucial that we sort out this issue for the next school year. We need to make sure that common sense is blended in with the rules. I accept that the rules must be equitable and fair but they must also be sensible and our job as politicians is to ensure that this is so. I believe an accommodation can be reached which caters for the students involved and ensures that they can continue to attend the school they have always attended while also saving money for the State. Such an accommodation must ensure that the families of the students in question are not left in a situation where they must spend two week's income to pay for school transport. I look forward to the opportunity to meet the Minister of State and emphasise the importance of sorting out this matter once and for all.

An Leas-Cheann Comhairle: In view of the fact that this is an important question nationally and not just an issue for Donegal, as was suggested, I will provide 20 seconds to Deputy Thomas Byrne to ask a supplementary question. I stress that I am complying with Standing Orders and I am not displaying any favouritism.

Deputy Thomas Byrne: I welcome what the Minister of State has just said. There are also cases like this in Deputy Bobby Aylward's constituency. As the Minister of State said himself, the pass in question may be impassable for considerable periods of time. The Minister of State makes the rules and I hope he can change them following engagement with Deputy McConalogue and others. If a pass is impassable for substantial periods of the school year, it must be dealt with.

Deputy John Halligan: We should discuss this further next week. I would make the point that there is an independent school transport appeals board. This case went to the appeals board and the original decision was upheld. That said, I am willing to meet the Deputies next week to

see if we can work something out. I hope that is reasonable and acceptable.

School Staff

34. **Deputy Mick Wallace** asked the Minister for Education and Skills his views on whether the criteria for appeals by one-teacher mainland schools to obtain an additional teacher with regard to the staffing schedule circular 0007/2016 and the provisions in budget 2017 are overly burdensome on the schools in question, in view of the fact that in order to make an application a school must have at least 15 students across at least six class groups; and if he will make a statement on the matter. [1819/17]

Deputy Mick Wallace: One of the consequences of the staffing reductions in 2012 has been an increase in the number of one-teacher schools. There were eight such schools in the country in 2008 but thanks to moves by the Fine Gael-Labour Party Government, there are now 24 such schools. It goes without saying that the appointment of a second teacher to a small school or the loss of a school's second teacher is a critical issue in determining whether the school will survive.

The Minister will be familiar with St. Brendan's national school in St. Mullins on the Carlow-Kilkenny-Wexford border, which recently applied for a second teacher but found the going tough. Does the Minister agree that the criteria for appeals by one-teacher mainland schools on applications for an additional teacher are unfair?

Deputy Richard Bruton: Following a review of the staffing allocation for small primary schools, budget 2017 announced two adjustments relating to one-teacher schools. Where the school is the sole primary school on an island, it will be able to appoint a second teacher. Single-teacher schools more generally with an enrolment of 15 or more pupils can apply to the staffing appeals board for a second post where the single teacher has pupils across six or more class groups. This new measure is in recognition of the challenges faced by teachers having to teach six class groups or more.

These arrangements will be effective from September 2017 and will be set out in the staffing schedule circular for the 2017-18 school year which will be available on my Department's website in the coming weeks. These two measures are important improvements in the staffing for small rural schools. They demonstrate the Government's commitment to rural Ireland within the small increase in resources that the Department has been able to secure.

These new measures build on the previous improvements to the staffing of small schools in the 2015-16 school year, where improved retention thresholds were introduced for the second, third and fourth classroom teacher and also the improved appointment and retention thresholds for one-teacher schools situated 8 km or more from the nearest school of the same type of patronage and-or language of instruction. This reduced the enrolment requirement for these one-teacher schools from 20 to 15.

In addition, budget 2016 introduced a one point improvement, from 28:1 to 27:1, to the primary staffing schedule which has been implemented for the current school year and it should be noted that the current staffing schedule of 27:1 for primary schools has restored it to the position prior to the fiscal crisis. As resources become available, we are trying to make it easier for these small schools.

18 January 2017

Deputy Mick Wallace: In 2012, the threshold for qualifying for two teachers was 12 pupils but now, unless the nearest school is over 8 km away, the threshold is 19. The particular school to which I refer is already disadvantaged, with 41% of pupils in lone-parent families. In the past, the school would have been entitled to Delivering Equality of Opportunity in Schools, DEIS, status and the supports that come with that but, unfortunately, the Government blocked new entrants to the DEIS scheme.

When I wrote to the Minister for Education and Skills about this matter, he made the point that the staffing appeals board is an independent body but the board operates according to the criteria set down by the Department. Furthermore, the new budget 2017 proposal does not guarantee that St. Brendan's national school will be granted another teacher because it simply states that one-teacher mainland schools will have the "capacity to apply" to the staffing appeals board for an extra teacher. Schools already have that right and capacity at the moment.

Will the Minister consider this issue again? The future for the school to which I refer is pretty bright. The numbers enrolled are expected to increase and it is totally unfair not to grant it a second teacher.

Deputy Richard Bruton: In response to Deputy Wallace's points, the change to which I referred gives the staffing appeals board discretion so that it is not just rigidly adhering to some view. The change will allow the board to assess the situation. From what Deputy Wallace has said, it sounds as if the school will have a good chance of meeting the criteria by September 2017. Those criteria are ones that are budgeted for this year and are not for the coming school year. They will have to be budgeted this year for a third of the year and next year for the full school year. I cannot bring forward the date because there is funding attached to these relaxed arrangements.

As in every other area, as resources become available we are able to make adjustments in various parts of the education system to make things easier. I will be making adjustments to the DEIS scheme. We will be opening DEIS to new schools. No new schools have applied for DEIS status since 2009. We are making progress with the resources available to improve the position of schools, particularly disadvantaged schools.

Deputy Mick Wallace: I am glad to hear that the moratorium on DEIS applications is being lifted. The particular school to which I refer expects to have 18 pupils enrolled which is almost over the line for a second teacher. I do not understand how the system works. I know that the staffing schedule circular for 2017-18 is due in mid-January. Will it be announced then as to whether this school will get another teacher? The school will have less chance of attracting more pupils if parents cannot plan ahead. St. Brendan's could have 22 pupils in 2018, especially if it has a second teacher. It expects to have 26 pupils in 2019 but obviously those additional pupils are unlikely to materialise in the absence of a positive sign from the Department, at an early stage, that it will facilitate the appointment of a second teacher.

3 o'clock

Deputy Richard Bruton: What I read out is the new provision that will be interpreted based on the enrolment numbers schools submit and whether they span the six classes. The conditions are set out as to what is there. If the school meets the criteria it has the chance to go to the appeals board and get the additional resource. I cannot anticipate the application of these rules, but the rules are clear and the school will be able to assess its position against these rules

and make its application on the basis of its belief it is meeting the criteria. We have relaxed the criteria to try to deal with schools with the problem of teaching multiple classes, including six classes, in these environments.

Schools Building Projects Status

35. **Deputy Clare Daly** asked the Minister for Education and Skills the reason for the delay in the construction of phase 2 of a school (details supplied); the likely construction date; and if he will make a statement on the matter. [1296/17]

Deputy Clare Daly: I have to say it is an affront I have even had to table the question, which is about phase 2 of the construction of Lusk community college. I tabled this question 18 months ago, when the construction should have been completed. Now, 18 months on, which is 30% of the educational lifetime of the students, it has not even started. I want to know the reason for the delay and when will construction be delivered.

Deputy Richard Bruton: The project raised by the Deputy was authorised to proceed to tender in October 2016. This project is the second phase of accommodation for the school in question and will cater for an additional 650 pupils. Phase 2 of the project will also provide a special needs unit, a sports hall with a fitness suite and changing facilities and ancillary accommodation, including a school library. Once this phase is completed it will bring the capacity of the school up to 1,000 pupils.

An incomplete stage 2(b) submission from the design team was received in my Department in July 2016, leading to a request for further information. A fully compliant stage 2(b) submission was received in September 2016. The stage 2(b) submission was approved and the project was approved to proceed to tender in October. However, as the pre-qualification of contractors had first been conducted by the design team in April 2015, the design team, concerned about the possibility of legal challenges, asked the Office of Government Procurement for advice on this matter. The advice was that it would be prudent to run the pre-qualification again.

The design team has recently rerun the pre-qualification of suitable contractors and is finalising a shortlist of up to ten contractors who will be requested to tender for the project. Subject to no issues arising, it is anticipated that construction will commence in the summer of 2017 and the project is scheduled to take approximately 18 months to complete.

Deputy Clare Daly: I am sure the Minister appreciates the entire debacle has been a devastating blow to the community, which has waited 30 years for its own secondary school in one of the most rapidly expanding urban parts of Dublin. I want to know who is at fault. When I tabled the question 18 months ago, I was told the tender documentation and the architectural planning was at an advanced stage. The Minister now tells me that eight months later there was a fault in that, which meant another tendering process had to kick in. Who is on the design team? To whom are they answerable? Who pays? At present, the people paying are the students in Lusk who are not getting the same calibre of education as their peers because they are in overcrowded classrooms. We know there is an overreliance on prefabs, a high density of students congregating in the one communal area and insufficient class sizes for specialised subjects. A year ago, the Department stated the laboratory facilities were inadequate for the number of classes. The number of classes is now even greater. It is not much solace that it will probably be delivered in 2018 when people thought and were assured it should have been de-

18 January 2017

veloped in 2016. To whom is the design team answerable and who is at fault for the incomplete documentation submitted in July 2016?

Deputy Richard Bruton: It is my understanding the design team was appointed by the Dublin and Dún Laoghaire Education and Training Board. To be fair, I have seen delays occur in many school projects and the question of looking for a fault or ascribing fault is not always the route to go. There may have been some unanticipated problems that cropped up such as planning issues. It is not my business to try to ascribe fault. The Department has been fair. We try to make sure we use our resources to the very best effect. We would not be thanked if it proceeded to tender and there was a legal challenge and next thing we were in the courts fighting a case about an aggrieved person who felt he or she should have got the tender. Processes are in place to protect the taxpayer and the school and they have been applied in this case. I will not get into the business of trying to ascribe fault because I do not know the full record of how this proceeded. I have explained the situation that there was an incomplete submission and this was corrected and it has been approved. On legal advice a fresh tender process has been undertaken.

Deputy Clare Daly: I appreciate the Minister cannot comment or would not have the level of detail, and I am not interested in fault for the sake of it, but I am interested in lessons being learned and problems not reoccurring. The simple fact of the matter is that in September 2015, when the project should have been completed, I was told by the Minister's predecessor that issues were at an advanced stage awaiting tender documentation. The Minister has told me this documentation, which was handed in nine months later, in July 2016, was incomplete. How could this be and who are the design team? I assume they are private contractors and that they are on a departmental panel. Is this something they have done in other areas, because if they are doing this job one would think they would have that level of expertise. The people paying the price for this are the students now in the facility, who are not being given access. They have only one chance at an education and they have already lost 30% of their educational life when we delayed previously. Now the Minister is telling me there will be another 30% wait until it is completed. Neither myself nor the parents can take great solace from this because we were told this before and it was not delivered. Will the Minister go back and have a look at this, or ask his departmental officials to look at why the documents were incomplete in the nine-month period, given that when I asked the question the project should have already been completed.

Deputy Richard Bruton: I will ask the departmental officials to examine whether there are lessons to be learned from this experience. I just do not know that. Obviously, in the first instance a design team is accountable to the school, in this case the ETB. I do not know whether it was an oversight, a mistake or what it was, but I will ask officials to have a look at what was the source of delay and whether there are lessons to be learned.

School Transport Data

36. **Deputy Thomas Byrne** asked the Minister for Education and Skills the number of school bus routes in operation in each of the years from 2011 to 2016; and if his Department's policy objective is to reduce the number of children availing of school transport on a concessionary basis. [1895/17]

Deputy Thomas Byrne: The question is very simple. A number of us are trying to get to the bottom of school transport policy. It appears there has been a reduction in the number of routes and I would like the Minister of State to set out the number of bus routes operating in

each of the years from 2011 to 2016.

Deputy John Halligan: The number of bus routes rose from 5,001 in 2011 to 5,256 in 2016. In 2011, the number of taxi routes was 796. I could go through them all but I will send the details to the Deputy. The number of taxi routes increased from 796 in 2011 to 1,159 in 2016. The cost of school transport in the period rose from €171 million to approximately €182 million, and much of the increase relates to the provision of transport for children with special educational needs.

Deputy Thomas Byrne: Does the Minister of State have the figures without special educational needs transport provision? Has there been a reduction if special educational needs transport is not included?

Deputy John Halligan: There has not, because we are speaking about 114,000 children. There are now 25,000 pupils who travel on a concessionary basis, which is a dramatic increase. The financial costs for 2012 were €58 million and for 2016 they were €73 million. The big increase has been in concessionary transport, which has gone up dramatically this year to €25,000.

Deputy Thomas Byrne: That is fine.

Departmental Budgets

37. **Deputy Bernard J. Durkan** asked the Minister for Education and Skills the extent to which he remains satisfied regarding the adequacy of the education budget to meet in full the targets set by his Department for the current year, including the provision of special needs teachers, SNAs, the school building programme and school transport; the extent to which any particular areas have been identified as being likely to come under pressure in the course of the current year; and if he will make a statement on the matter. [1912/17]

Deputy Bernard J. Durkan: This question seeks to ascertain the extent to which his Department's budget is adequate to meet all likely requirements in the course of the current year, including special needs teaching, SNAs and places for children with autism.

Deputy Richard Bruton: The budgetary increase of €465 million which I secured for my Department in budget 2017 will support implementation of my Department's goals, set out in the action plan for education. The increased allocation will mean more classroom and resource teachers, more special needs assistants, continued restoration of guidance posts, increases in new entrant teacher pay resulting from agreements with the TUI and INTO, continued progress on curricular reform, support for school leadership, implementation of the forthcoming action plan for disadvantaged schools, an increased allocation for school transport and provision for the first significant investment in higher education in a number of years.

My Department closely monitors all expenditure on an ongoing basis. It is too early in the year to identify definitively any significant budgetary pressures, which typically become manifest in the last quarter of the year following the start of the new academic year. This results from demographic and other demand pressures and the impact of retirements on the superannuation allocation. Funding for school capital was largely determined under the capital investment plan published in September 2015 and the 2017 allocation was confirmed in the most recent budget.

My Department plans to spend in excess of €400 million on the construction of large-scale

projects and on the additional accommodation scheme. While my Department continues in the first instance to ensure sufficient school places within the sector, it is intended at the mid-term capital review to seek a higher level of funding to address, in particular, replacement and refurbishment school projects.

Deputy Bernard J. Durkan: To what extent is the Minister satisfied that he can cater for the pressure points that usually occur in the course of the budget? What discussions has he and his Department had with the various school authorities at primary and secondary level in respect of special needs children, including the provision of special schools?

Deputy Richard Bruton: Each year a fresh assessment will be made of the needs of children coming into a school under various headings such school allocations, the PTR, special needs and so on. My Department does its best to anticipate what those school needs are but, as I said in my reply, in September the enrolment figures can put pressure on. However, there is a built-in protection as the allocations for the following September are based on enrolments for this September. When the Department is drawing up its Estimates it has a pretty good idea of the profile of pupils and students entering the system. Pressures can arise but we try to do our best to manage them within the budget and we have been able to do that in the past.

Deputy Bernard J. Durkan: Does the Minister have a system of checking, or second guessing, projections on the basis of past experience? I am thinking of areas where particular problems have arisen in the past in meeting requirements and, in particular, of demographic trends, such as population explosions in some areas which result in extra demands and extra pressure onto the school system. Is the Minister satisfied that he has made adequate provision for such things?

Deputy Richard Bruton: Within the system there is a right to appeal. Allocations are generally made on the basis of last September's enrolments, which gives a fairly good projection. An appeal may be made, however, such as by a school that is developmental and there may be children with special needs that were not anticipated and that will cause pressures for additional resources. The Department seeks to anticipate general trends to the best of its ability, though it might not be able to anticipate specific ones. In the area of special needs, ultimately it is the assessment of groups such as the National Council for Special Education that will determine the resources allocation for SNAs, and that is an independent process for which the Department cannot make complete projections.

Schools Mental Health Strategies

38. **Deputy Maureen O'Sullivan** asked the Minister for Education and Skills his views on linking community and youth services in with schools in the local area in relation to awareness programmes dealing with the dangers of addiction to drugs, alcohol and gambling. [1814/17]

Deputy Maureen O'Sullivan: My question relates to the programmes being run by community organisations and the youth service to raise awareness of addiction to drugs, alcohol and gambling. Is there a role for linking those programmes to schools in local areas?

Deputy Richard Bruton: The well-being in post-primary schools guidelines for mental health promotion and suicide prevention 2013, and the well-being in primary schools guidelines for mental health promotion 2015, acknowledge that schools have a role to play in supporting

their students to develop the key skills and knowledge to enable them to make informed choices when faced with a range of difficult issues, including drugs, alcohol and gambling. This is mainly done through the social personal and health education, SPHE, programme, which has a specific module on the use and misuse of a range of substances. SPHE is currently mandatory in all primary schools and in junior cycle. It will also form part of the new mandatory well-being area of learning for the new junior cycle. Schools are also encouraged to deliver the SPHE programme in senior cycle.

Relevant topics in SPHE include student decision-making skills and safety and protection. Students learn how to exercise judgment, weigh up different possibilities, examine the steps and choices that guide them towards considered decision-making, begin to understand their own rights and the rights of others, and explore decision-making. In respect of safety, students' ability to assess the consequences of risky behaviour is developed.

Current best practice guidelines for the delivery of SPHE indicate that the classroom teacher is the best placed professional to work sensitively and consistently with students and that individual themes such as substance misuse prevention should not be treated in isolation but should be integrated with the other SPHE modules. However, I recognise the value of strong links with the local community in the context of a whole-school approach to SPHE.

I have recently established a cross-divisional working group on well-being within my Department and linkages with local community and youth services will be considered as part of the work of the group.

Deputy Maureen O'Sullivan: The Minister gave me the theory and no one would disagree with that. As somebody who was in a voluntary secondary school and was involved in, and fully committed to, SPHE I know what he is talking about. It is, however, very much hit and miss. I chair a prevention and education subgroup for the drugs task force in the north inner city and we had a roundtable discussion recently with health workers, youth workers and community workers who are involved in such programmes with young people through Youthreach or in the local schools. I came away from the meeting feeling optimistic and hopeful because of the way they were reaching out to the people who needed to be reached out to. They gave accurate information about all the things of which the Minister spoke and they looked at risk factors, competences and skills young people need for those types of addictions. We know that young people will experiment and some of them will stay in drug-taking and the abuse and misuse of alcohol. We have also seen an increase in gambling addiction. It is very hit and miss in schools whereas, at the other end of the scale, with community and youth programmes we would move forward in a better way.

Deputy Richard Bruton: The Deputy's point is well made, in that not every school is equally good at implementing these programmes. However, the junior certificate well-being programme, which we are rolling out from September, gives an opportunity for schools to have a hard look at themselves, a self-evaluation. We are encouraging schools to do that and there is a seven-step process to look at their programmes, examining such things as whether they have done the continuous professional development for the teachers who will front up these programmes. They will need to consider whether they have good links with others who can support them. I recognise that there is a range of expertise outside the school that should be drawn upon. Clearly, however, such expertise must be of sufficient quality. Teachers must have confidence that whoever they are taking on will deliver a quality programme. It is an issue for schools to ensure that any assistance they take in from the outside is of a high standard.

18 January 2017

We hope we will be able to give them guidelines to help them make those choices, but they are ultimately choices for the school to make. We must also be conscious that teacher-led is the model we are told is best. It is not a substitute for the teacher, but the teacher ought to be at the heart of the programme. That model is based on experience and we should seek to upskill the teacher and the school to lead this programme effectively.

Deputy Maureen O’Sullivan: I cannot agree with the Minister that the teacher is best placed to lead this particular programme because it is too hit and miss. I totally support the SPHE and Wellbeing classes, but they will go quickest when one of the academic subjects needs an extra class. If there is something else going on in the school that will be the class that will suffer. It is not consistent and that is where the problem lies.

I do not like the term “prevention” in education. The term “intervention” would be much better. The whole area is very difficult, however, because what turns one young person onto drugs could be the thing that turns another person off.

We also have a serious issue with the misuse and abuse of alcohol. We had a discussion with the Minister for Children and Youth Affairs, Deputy Zappone, this morning about the young people’s facilities and services fund, which was targeting those most at risk of this kind of behaviour. We also discussed the need for constant monitoring which is where it is falling down. I agree that it needs a holistic approach. It cannot just be about giving information. It is about a whole change in lifestyle, but it is also about equipping young people to make informed decisions. I was a teacher and I am very supportive of the programme but we must also examine other models.

Deputy Richard Bruton: At the end of last week I had a workshop in Galway and detected that in schools there is a huge appetite for this programme. School authorities recognise that this is an area in which they need to improve. A lot of pressures are coming on schools with expectations from pupils who are experiencing difficulties and they must respond.

We have developed some excellent tools to support them, including self-evaluation, guidance, continuous professional development and upskilling. The challenge is to roll that out and see that capability is built upon. To that end, we are restoring counselling and some 400 posts have already been committed to for guidance counselling in schools. We are also committed to increasing NEPS, the National Educational Psychological Service, by 25%. We are therefore trying to grow the resource that will help schools to undertake self-evaluation as well as providing techniques and tools that have been developed.

I share the Deputy’s view that this is a very important area to work upon. From my experience, there is a huge appetite in schools to make this work. I see the Wellbeing programme at junior cycle in particular as an opportunity to put down some clear self-evaluation markers and improvement processes within the schools in order to deliver this programme to the highest quality.

Question No. 39 replied to with Written Answers.

Special Educational Needs

40. **Deputy Mick Wallace** asked the Minister for Education and Skills when the sections of the EPSEN Act 2004, which deal with provisions relating to an individual right to assessment and individual education plans, will be implemented; and if he will make a statement on the matter. [1818/17]

Deputy Mick Wallace: Thirteen years after the enactment of the Education for Persons with Special Educational Needs Act, several key provisions of the legislation remain unimplemented. There does not seem to be a clear policy on the entitlement of children with special educational needs to education. As the Minister knows, Ireland has been criticised by international human rights watchdogs, such as the UN Committee on Social, Economic and Cultural Rights, for our non-implementation of the Act.

In the previous Dáil, the programme for Government included a commitment to publish a plan on implementing the EPSEN Act, but this did not happen. Citing financial constraints, the current Government's aim is to implement some of the ideas in the Act through various policy changes on a non-statutory level.

Does the Minister agree that at present there is no road map for the policy change, which makes it nearly impossible to have a joined-up, systematic approach to the implementation of these policies, which was the whole idea of the Act in the first place?

Deputy Richard Bruton: A number of sections of the Education for Persons with Special Educational Needs Act 2004 have been commenced, including those establishing the National Council for Special Education and those promoting an inclusive approach to the education of children. In order to ensure that inclusive education can be provided for, very significant investment has been made in the area of special educational needs supports. In 2016, the Department of Education and Skills invested €1.5 billion in special education, almost one fifth of the entire education budget. It reflects our commitment as a Government to help children with special educational needs to fulfil their potential. Total spending on special educational needs has increased from €706 million in 2006 to €1.5 billion in 2016, thus more than doubling in the period.

Under the Programme for a Partnership Government I have committed to consulting with stakeholders on how best to progress aspects of the Act on a non-statutory basis. At present, all schools are encouraged to use education plans. My Department's inspectorate's advice is that the majority of schools are now using some form of individual education planning for children with special needs. In line with Circular 30/2014, schools are required to put in place a personal pupil plan, including a care plan for all pupils availing of SNA support.

While awaiting the full implementation of the EPSEN Act, the NCSE has published a number of policy advice papers which make recommendations aimed at developing a better or more effective alternative to the current resource allocation model, and which aims to move the system towards ultimate implementation of the EPSEN Act. As the Deputy is aware, I have announced the details of that new model which are being implemented from September this year. That has been piloted successfully and I am confident it will introduce both a better and a fairer way of allocating resources to support children with special needs and ensure that they are able to follow an individual pupil plan within the school. That will be in the context of a whole school and not solely an individualisation approach. Clearly, the whole-school approach

is the best model that has been based on the NCSE's experience.

Deputy Mick Wallace: I accept that there have been increases in the last couple of budgets but the cuts were so severe in the previous ones that it has definitely resulted in some poor outcomes for many children with disabilities.

The Minister mentioned individual education plans, which the EPSEN Act called for. Some schools do make them but it is still not a legal requirement as far as I know. The idea is that all professionals involved in the provision of education to a child with special needs would work in a joined up way. It remains aspirational, however. I am not sure if the Minister is saying that the new changes will make it obligatory to operate in this manner.

Parents feel disempowered and find themselves at the mercy of the National Council for Special Education when seeking resources. They are also very much at the mercy of schools. Does the Minister not think that parents should be allowed to have a stronger role in what happens? The parents I know who have children with special needs are involved in a phenomenal amount of work to make it happen. They must struggle to get a fair deal for their children. They should therefore have a bigger stake in the decision-making process.

Deputy Richard Bruton: I wish to correct one point. The figures I quoted were from €706 million in 2006 to €1,500 million in 2016, which covers the period when cutbacks were occurring in education. This area was not subject to cutbacks. Resource teaching has been increased by 41%. We now have 12,500 teachers providing resource or learning support, plus 12,500 special needs assistants. There has therefore been a substantial increase in resources for this area.

The announcement I made today will facilitate schools in approaching the needs of those children in a better way. It will direct more of the resources to children with special needs, which is a reform. It will not require them to have expensive diagnostic assessments that are often difficult for parents to obtain. In addition, it will ensure that the school can use that resource in a more creative manner.

I know that Deputy Wallace lives not too far from Marino College, which is just down the road where I have sometimes met him. It is a great example to hear how that college has successfully applied this new pilot model, thus making it a much more inclusive environment within the school under the new model. That will allow us to move to a stage where we can realistically implement the individual education plan on a universal basis in the context of a school that really values special education as a core part of its mandate.

Deputy Mick Wallace: At the weekends, I also live close to schools in Wexford and Ennis-corthy. They have fought tooth and nail to get a fair deal. The changes are definitely welcome. The Minister referred to resources. Was he suggesting that resources are greater now than in 2012? Will the Minister clarify that point?

I wish to draw the attention of the Minister to another point. Many children with special needs, especially those moving into later teen years, face mental health challenges. Often, schools are not equipped to deal with this problem. Many of these children did not get as much care and attention as they deserved to get in earlier years. The Government should be conscious of these problems in secondary school as the children get older. There may be challenges in this area for the system.

Deputy Richard Bruton: I wish to reassure Deputy Wallace. There has been a 41% in-

crease in the number of resource teachers since 2011, a 23% increase in special needs assistants and a 100% increase in the number of autism spectrum disorder classes in schools. Substantial investment is ongoing. I agree that parents need a better say. That is why we are introducing a parents charter Bill, the heads of which will go to the committee for evaluation. We have instituted an inclusion support service through the National Council for Special Education. This will help schools to implement the new approach.

Deputy Wallace is right to point out that complex challenges arise in the mental health area. Some of the earlier questions dealt with that. We need to enhance our role in this area. The roll-out of the National Educational Psychological Service, the well-being programme in the junior cycle and the restoration of guidance counselling are all part of an approach to try to put greater emphasis on the mental health of young people in schools as well.

Written Answers are published on the Oireachtas website.

Topical Issue Debate

Road Traffic Legislation

Deputy Dessie Ellis: I have brought up this issue numerous times in the House. The Government and senior gardaí have always responded by saying that this is already covered by legislation. I introduced the Misuse of Motor Vehicles (Public Spaces) Bill in 2012. The Bill was opposed by the Fine Gael Minister at the time. He deemed it unnecessary following advice. That view contradicted the advice I had received from local safety forums, gardaí and other relevant bodies. They indicated an anomaly in the current legislation.

When walking the streets of many of our towns and estates we can see vehicles like quad bikes, dirt bikes and scramblers being used repeatedly by some to damage property, threaten injury and cause many other problems for the local community. The law as it stands prohibits the use of these all terrain vehicles on public roads unless fully insured and taxed and meet other regulatory requirements, including the rules of the road. However, there is a hole in the legislation that allows people to use these vehicles for anti-social behaviour, sidestep gardaí in public spaces and avoid any penalties.

Currently, if someone is misusing one of these vehicles on a public street, gardaí have the powers to deal with the issue. The vehicle can be confiscated. Then, depending on the severity of the incident or the history of the vehicle and owner, it may be held or returned. This provision, when enforced, can work to slowly discourage such behaviour. Unfortunately, however, these vehicles are not simply used and misused on public streets. They are common in green areas and public parks and it seems the Garda cannot deal with them. It is understandable that members of the Garda will not chase people on these machines due to safety issues for all concerned.

Is the Minister aware of the case of Mr. Vnuk? He brought an action for compensation for injury in his native Slovenia as a result of an accident. Mr. Vnuk lost his claim for compensation in the domestic courts on the basis that the vehicles were only insured when in public places. He appealed his claim to the European Court of Justice. As in Ireland, Slovenian road

traffic legislation requires vehicles to be insured when they are on the road or other public places but not necessarily when they are on private land. The ECJ has interpreted the directive to mean that any motor vehicle, whether on private or public land, must be covered by third-party insurance. Ruling in *Vnuk v. Triglav*, the court found that compulsory motor insurance has to cover any accident caused in the use of a vehicle that is consistent with the normal function of that vehicle. Does it follow, therefore, that the definition of public space in the Road Traffic Act must include parks and unused ground? The current definition is that a “public place” means any street, road or other place to which the public have access with vehicles whether as of right or by permission and whether subject to or free of charge. Can the Minister comment on this? Does he believe the legislation that exists is insufficient or ineffective due to the definition of “public place”?

The reality is that quads or off-road scramblers are not used on roads often and, in that capacity, that is their normal function under the ECJ directive. They are more commonly used in parks or fields. Does the Minister think that the *Vnuk* decision is relevant to the current situation?

I am keen to make it clear that the vast majority of people who use quads or scramblers do so responsibly, but legislation is needed to deal with the irresponsible drivers of quads, dirt bikes and scramblers.

Minister for Transport, Tourism and Sport (Deputy Shane Ross): I thank Deputy Ellis for introducing this subject to the Dáil again. I am impressed by one thing, that is, the frequency with which this has occurred. It persuades me that there is genuine concern about it and that there is obviously a problem. I have received queries on the matter during Topical Issues, through questions and in the Seanad as well. The queries tend to come through councillors rather than Deputies and Senators. They are *in situ* and they see the obvious concerns that arise. It seems to me that difficulties may arise. The powers are in place in theory. However, if they are not being enforced in practice, the Deputy has a point.

I will explain what I will do as a result of what he has said today. We need some solid statistics but I do not believe we have them. Certainly, I do not have them before me and I do not think the Deputy has quoted them – perhaps he can do so in reply. We need solid statistics with regard to the damage being caused, the number of accidents, the amount of vandalism, etc. I do not have the data to hand but perhaps that is my fault and I should have asked for it in advance. After the debate I will try to find out how real this problem is or whether it is only perceived because of the dramatic nature of what is going on.

Scrambler motorbikes and quadricycles are mechanically propelled vehicles. This means they are vehicles intended or adapted for propulsion by mechanical power. As such, irrespective of engine capacity, under road traffic legislation the user of a scrambler motorbike or quad bike in a public place must have insurance, road tax and a driving licence. The user must also wear a helmet. Severe penalties exist under road traffic laws, including fixed charge notices, penalty points, fines and possible seizure of the vehicle, for not being in compliance with these requirements.

Deputy Ellis asked a question related to the definition of a public place. For the purposes of the Road Traffic Acts, the definition is that a “public place” means any street, road or other place to which the public have access with vehicles whether as of right or by permission and whether subject to or free of charge. Road traffic law does not extend to the use of mechanically

propelled vehicles on private property. Certain places, such as parks under the control of local authorities, can be subject to by-laws, which those authorities have the power to introduce, to prohibit the use of such vehicles.

The Road Traffic Act 2004 makes it an offence to supply a mechanically propelled vehicle to a person under 16 years of age. With effect from 24 January 2005, a person convicted of supplying a vehicle to a minor faces a fine of up to €5,000 or a term of imprisonment of up to six months or both. Mini-motorised scooters, micro-motorcycles and quadricycles also come within the definition of a mechanically propelled vehicle for road traffic law purposes. The supply of such vehicles includes giving a gift or loan. As a result, it is illegal to supply such a vehicle to a person under 16 years of age.

It should be noted that An Garda Síochána does not have any legislative power to deal with scrambler bikes being driven on private land. Local authorities have the power to introduce by-laws to prohibit the use of vehicles in areas under their control such as parks. The Minister for Arts, Heritage, Regional, Rural and Gaeltacht Affairs has similar powers to control off-road vehicles in certain areas. For example, the unauthorised use of off-road vehicles is prohibited in certain national parks.

Section 41 of the Road Traffic Act 1994 and the Road Traffic Act (Section 41) Regulations 1995 set out the law relating to the detention of vehicles by An Garda Síochána in a public place.

Deputy Dessie Ellis: This has been a major problem for many years. I have been chasing this issue from when I was a councillor years ago. I have also raised it with Ministers here in this Chamber. The problem is children of five years, six years and eight years of age going around on motorbikes in housing estates and council-owned lands. Seizing these vehicles is not covered properly in legislation.

There have been deaths caused by quads. A person in my area was killed as a result of a quad accident. The statistics are there. I have seen young kids of six or seven years of age on these small motorbikes with no insurance or tax. They are not tied to any sort of registration with a club. Clubs would be a good way of registering these bikes and could also provide proper training and facilities.

There are consequences from the European court judgment, a copy of which I will give to the Minister. Will the Minister and his officials examine it? Time out of number we have been told by senior Garda and officials that there is no need for legislation. I believe that is wrong. In cases where vehicles have been seized by gardaí, they have had to give them back with no fines or penalties, even though a six-year-old was using them, because a person said it was their property.

Deputy Shane Ross: If the Deputy gives me the judgment, I will certainly ask my officials to look at it and to see what are the implications. I accept there appears to be a problem. People are not just raising it for the good of themselves or to pander to a group because it is coming from all areas. I will examine it seriously to see if we can address it.

I have made some commitments to at least one voluntary group of councillors to see what they are doing in this respect. The Deputy is aware of this document, Scramblers and Quads - Know the Info. Even if there is no need for legislation, we might get a clearer view of this when we get the statistics and the European Court judgment. In the meantime, I will support those

18 January 2017

groups who provide information leaflets on this matter. Voluntary groups can play a strong and useful role in this. The Scramblers and Quads - Know the Info pack is different from what usually tends to come from Departments, namely, the Garda has enough enforcement powers and come back again in three months. Instead, this document states certain actions can be taken while outlining the right equipment, the right vehicles, the law, the right training and the right environment. It makes a positive community effort to tell parents how to behave if their children are riding these particular vehicles and the safety measures which should be taken. If we cannot reach a legislative solution to this or if powers are available but are not being used or enforcement is not as great as possible, I will support voluntary groups.

In the meantime, I am due to meet the Tánaiste and Minister for Justice and Equality on this particular issue. I will raise Deputy Ellis's specific concerns with her then.

Respite Care Services Provision

Deputy Thomas Pringle: I thank the Ceann Comhairle for allowing this Topical Issue matter. The Seaview respite care home outside Donegal town is owned and operated by the Health Service Executive, HSE, to provide residential respite care for physically and intellectually disabled people across south-west Donegal. Currently, there are over 100 families who use and access this service for much needed respite for them and the person for whom they are caring.

It is important to stress the families are happy with the services they and their loved ones get from the respite home. The issue today is about staffing. Previously, families used to receive respite care every six weeks where the child or person they were looking after could stay overnight in the home while the family or carer got a break. The facility was also able to accommodate them if the family had to go away for a short period at short notice or intended to go on holidays. Obviously, with limited facilities across the country, it is not always possible to take a disabled person on holidays. One of the families who uses the service told me the holiday for a disabled person was actually going to the respite home.

Unfortunately, now the home closes at 7 o'clock on a Sunday evening and does not open on Monday and Tuesday. This means the families are lucky if they get respite care twice a year rather than every six weeks as they had before. The home requires four nurses plus care staff to maintain the level of respite which had been available previously. I understand a nurse in the home is due to retire in the next several weeks, resulting in the staffing complement going down to two nurses. This means the availability of respite for the 100 families in question who desperately need it - it is the only break some of these families actually get - will be restricted even more if the situation is allowed to continue. It is vitally important the HSE in Donegal recruits the nursing staff required to allow the home to operate to full capacity and to the benefit of those families who depend on this vital service.

Minister of State at the Department of Health (Deputy Marcella Corcoran Kennedy): I thank Deputy Thomas Pringle for raising this important issue today. I convey the Minister's apologies but he is unavoidably absent and would have liked to take this matter himself.

The Government is committed to providing services and supports for people with disabilities which will empower them to live independent lives, provide them with greater independence in accessing the services they choose, and enhance their ability to tailor the supports required to meet their needs and plan their lives. The Government is acutely aware of the changing needs

of people with disabilities and understands that many people require additional or alternative services.

The provision of respite services has come under increased pressure in the past several years. There is an increase in the number of children and adults seeking access to respite. There are also increasing levels of changing needs, due to the increase in the age of people with a disability. The way in which residential respite services are provided has also changed as agencies comply with HIQA, Health Information and Quality Authority, standards and the national policy on congregated settings. In some situations, this means beds are no longer available. For example, vacated beds for residents who go home at weekends or for holidays can no longer be used for respite.

Seaview respite house, located in Mountcharles, Donegal town, was established in 2001. It provides respite for children from the age of six years upwards and adults with an intellectual disability and-or autism on a rotational basis for 100 families in the south-west Donegal catchment area. The maximum occupancy provides for five children or five adults. This valuable facility provides for a much deserved break for families and persons with an intellectual disability and-or autism.

A recent service user satisfaction survey was completed in 2016 which provided very positive feedback regarding the staff and quality of service provided. Respite service provides a range of services, including overnight respite, day respite and a drop-in service. We are all very happy to hear about that positive feedback. The service operates a person-centred model of care and is delivered by a combination of nursing and support staff. The service normally operates on a part-time basis Wednesday through to Sunday evening, as the Deputy noted.

The staff allocation for the unit is one whole-time equivalent clinical nurse manager, 3.6 whole-time equivalent nursing staff and 4.67 whole-time equivalent care assistants. I am advised by the HSE that, for a number of reasons, including staff transfers and retirements, the service is currently experiencing a temporary staff shortage. However, I am pleased to confirm the HSE has advised me that three posts for the unit are currently being recruited via the national recruitment service, which will ensure the service resumes to full capacity. The need for increased respite and residential facilities is acknowledged and the HSE is continuing to work with agencies to explore various ways of responding to this need in line with the budget available. I hope the information that three posts are currently being recruited will be good news for Deputy Pringle.

Deputy Thomas Pringle: The Minister of State's response reads reasonably well until one turns the page, where, unfortunately, it states: "The service normally operates on a part-time basis Wednesday through to Sunday evening". That was not the normal operation of the service, which was a seven-day service. When she says the three posts will ensure the service resumes to full capacity, what is she actually talking about? Is it full capacity from Wednesday to Sunday or a seven-day service? That is the key issue in that what was a seven-day service is now operating from Wednesday through to Sunday evening, and even that is being put at risk due to staff shortages. The resumption of a full service is the resumption of a seven-day service, not a part-time service. I urge the Minister of State to clarify that point, given it is the key issue for the Seaview respite centre. A full service is a seven-day service. Will this staff recruitment mean the seven-day service is restored?

Deputy Marcella Corcoran Kennedy: As I outlined, the HSE is recruiting for the posts

18 January 2017

that are vacant. My assumption is that it will be replacing the staff vacancies and that the service would resume to what it was. I will get the Deputy confirmation of that from the HSE. Obviously, we are very concerned that if it was a full-time, seven-day service, this is what will be restored when the full staff complement returns.

Hospital Services

Deputy Mary Butler: I thank the Leas-Cheann Comhairle and his office for facilitating this Topical Issue, which represents cross-party and cross-county support. Fourteen of the 19 Deputies in the south-east are supporting this petition and I thank my colleagues for doing so.

As the Minister of State is aware, there is currently no provision for cardiology cover in Waterford and the south east after 5 p.m. every weekday, and no availability at all at the weekend. It is simply not acceptable in 2017 that time restrictions play such a role in the day-to-day lives and deaths of our people. Last Saturday in excess of 7,000 people took to the streets of Waterford to vent their anger, frustration and hurt.

I have a question to ask and, as I was hoping to ask it of the Minister, Deputy Harris, I want to put on record that I am disappointed he is not present. Why are we in Waterford and the south east being treated as second-class citizens? It is ironic that while we were taking to the streets in Waterford last Saturday, an Air Corps helicopter had to come to Waterford to bring a patient to University Hospital Cork and an ambulance was ferrying another patient to Cork. Why is the south east the only region without 24-7 cardiology cover? Why are we excluded from life-saving care? Make no mistake about it: cardiac intervention saves lives every single day. There is a solution and it is clear what is needed, namely, additional resourcing in the form of a second cath lab with sufficient staff to resource it. That is the solution and that is what we want. This solution would have a two-fold effect. First, it would save lives and, second, it would help to reduce waiting lists in Waterford and the surrounding counties of Tipperary, Kilkenny and Wexford.

The budget allocation for this year is in excess of €14 billion. The cost of providing this second cath lab is a €2.6 million one-off capital investment and an additional €2 million per year to cover running costs. This has to happen sooner rather than later.

Deputy David Cullinane: I want to ask what is going on. We have 14 of the 19 Oireachtas Members in the south east involved, 12 of whom put their names to this Topical Issue today, yet the Minister for Health, Deputy Harris, is not present. On previous occasions when we have put down similar matters, again, the Minister for Health was not here. He sneaked into Waterford a number of months ago, met with local hospital clinicians and consultants and met with one local Oireachtas Member, although he did not meet with the rest of us. Announcements are being made by other Ministers but we still have not heard from the Minister for Health himself. We are being treated with absolute contempt, and when I say “we”, I mean the people of the south east. The Minister for Health needs to brief, talk to and communicate with, in the first instance, the people of the south east but also through us as elected representatives. I am outraged that when we have gone to the trouble of showing the level of regional unity and cross-party support that exists on this critical issue, the Minister is not here.

The reality, as the Minister of State, Deputy Halligan, and all other Oireachtas Members know, is that there is a real problem of patient care and patient safety, and a lack of equality, in

the south east. If a person has a heart attack after 5 p.m. or 6 p.m. any day of the week in any part of the south east, be it Waterford, Carlow, Kilkenny, Tipperary or Wexford, that person will have to go to Cork or Dublin for emergency treatment. It is the only region in the State which does not have 24-7 emergency cardiac care. We are not getting any justification from the Minister as to why we are being denied this. The Higgins report again committed the south east, in particular University Hospital Waterford, to providing interventional cardiology to the people of the south east. In addition, we hear today that this so-called mobile cath lab is not for the south east alone and that it is going to be for a number of hospitals across the State. This also needs to be clarified by the Minister of State.

Deputy Bobby Aylward: I want to join with my colleagues in expressing my disappointment that the Minister is not present to face us and to discuss the supply of a 24-7 service in the south east. As has been said, it is the only region in the country that does not have a 24-7 service. Are we in the south east different to anyone else? Are we backward people who do not deserve the service everyone else in the country gets?

The situation surrounding cardiac care at University Hospital Waterford is at boiling point. Thousands of people took to the streets over the weekend in protest, despite the announcement by the Minister of State, Deputy Halligan, that a mobile unit has been made available to the people of the south east. I would like to know what a mobile unit is. Does this mean it will be there for one day in Waterford and somewhere else the day after? Will it be there for a week or a month before going somewhere else? If it is mobile, that means it is on wheels and it moves around. That is not an answer to the problem. We have no concrete details of this mobile cath lab and its capabilities. Will it be exclusive to University Hospital Waterford and will it be on-call 24-7? Will it be reserved for emergency cases or utilised in catering for those who have been on the waiting list for more than two years for vital cardiac procedures? How many people will the mobile unit be capable of catering for on an annual basis?

I remind the Minister that the catchment area for the current cardiac service in University Hospital Waterford consists of approximately 500,000 people in the counties of Carlow, Kilkenny, Wexford, south Tipperary, Waterford and further afield. The current cardiac service is simply not good enough for the people of the south east.

4 o'clock

We have seven Deputies in the House today who have signed the motion to that effect. It is a petition to ask the Minister to look at this again. We have thousands on the streets to protest while there are over 700 on a waiting list for vital procedures, some of whom have been there for over two years. We have specialised doctors recognising the urgent need for a second cath lab and warning that some patients on the waiting list are deteriorating and need a procedure within the next seven days. We have advocacy groups saying that the mobile unit is a temporary solution to a permanent problem. The current situation in the south east is untenable as everyone has come to realise except the Minister for Health. We must take meaningful steps to implement 24-7 cardiac services at University Hospital Waterford immediately. I ask the Minister of State to bring that back to the senior Minister.

An Leas-Cheann Comhairle: Is the Minister of State, Deputy Halligan, replying? Who is replying?

Minister of State at the Department of Education and Skills(Deputy John Halligan):

18 January 2017

I am not. The Minister is replying. I am making a contribution. I am not replying; I cannot.

Deputy Brendan Howlin: Is there not collective responsibility in government?

Deputy John Halligan: If I could reply, I would, but I am not allowed, apparently. I can only contribute. The Minister for Health can reply.

Deputy Brendan Howlin: Any Minister can reply.

An Leas-Cheann Comhairle: The Minister of State, Deputy Halligan.

Deputy Brendan Howlin: On a point of order, any Minister can reply. The Minister of State says he cannot reply, but my understanding is that any Minister can do so.

Deputy John Halligan: No. Out of courtesy, what I said was that the Minister for Health replies.

Deputy David Cullinane: The Minister for Health is not here.

Deputy John Halligan: That has nothing to do with me. I asked for speaking time on this issue. That is what I asked for.

Deputy Mattie McGrath: We are happy to give it to the Minister of State.

Deputy Brendan Howlin: On behalf of the Department.

Deputy John Halligan: I thank the Deputy. First, it is beyond question that cardiac waiting times in County Waterford and the south east are unacceptable. In fact, when I was in opposition, I brought this to the attention of the Dáil on a number of occasions and was the first Member to do so. I stand by my belief that the second lab is an absolute necessity and reiterate the point that it is not Waterford alone, but the south east that is involved. I stand by my belief that the Herity report was flawed, as many others have said, because of its terms of reference and because it did not include meetings, in particular with consultants in Wexford, Tipperary, Kilkenny or anywhere else in the south east. There is no question about that. Be that as it may, the Herity report is the Herity report and the Minister has said he will not change his mind on it.

The Minister acknowledged to me that he would come to Waterford to meet the consultants privately. I did not participate albeit I arranged for that meeting and for the Minister to come. The evidence of that meeting will be that I was there and did not participate in it. I had particularly asked the Minister to come. Nor did I participate in any announcements that the Minister had made for Waterford, some of which were quite good. I facilitated a meeting with all of the consultants. At that particular meeting, the consultants said they acknowledged they were gone past the Herity report and that we needed to go forward and it was their proposal, not mine, to use a mobile cath lab to deal with the 780 people on the waiting list and to carry out a further review. In my estimation, that is what has been agreed by the Minister. There will be a mobile cath lab in Waterford to deal with waiting lists and during that time a further review will take place with different terms of reference.

I can understand Sinn Féin being in opposition and not having been in government, but Fianna Fáil was in government for 20 years during which time we did not have a second cath lab. Fianna Fáil has the facility to put down a Private Members' motion to instruct the Government to deliver a second cath lab. The party has more power than the six people in the Independent

Alliance. Fianna Fáil should come to the Dáil next week or the week after with a Private Members' motion, which would be supported by the House, including the Independent Alliance. The second cath lab would probably be delivered.

Deputy David Cullinane: The Minister of State, Deputy Halligan, is passing the buck. He will have to deal with it. He has to stop playing politics with this issue.

Deputy John Halligan: Deputy Cullinane played a lot of politics with it. He is a nasty piece. He played a lot of politics.

Deputy Mary Butler: Stop passing the buck.

Deputy Bobby Aylward: Why does the Minister of State, Deputy Halligan, think we are here today?

An Leas-Cheann Comhairle: I call Deputy Mattie McGrath to speak without interruption.

Deputy Mattie McGrath: I thank Deputy Mary Butler for tabling this matter, contacting all of us and organising it. I was glad to sign it. We do not know where we are. We need 24-7 cardiac and emergency care. The Minister of State, Deputy Halligan, agrees and is fighting very hard for it. I know how hard he has fought at Cabinet and with the Minister as well as during the talks on the programme for Government. We in the south east are not second-class citizens and will not accept that status. The War of Independence was started in Tipperary and we are proud of that. Where Tipperary leads, Ireland follows and we are entitled to health care which is as good as that available anywhere else in the country. There are 780 patients waiting at the moment. They are sick people who have been referred for this treatment. I welcome the mobile cath lab, but I do not have a lot of meat in it. It will certainly deal with the backlog, but we still need a second cath lab in Waterford. If it takes all of us to come back and put down a motion as members of Fianna Fáil or as Independents to force the Government, we should do that. It is a downright insult, without any disrespect to the Minister of State, Deputy Marcella Corcoran Kennedy, that the Minister, Deputy Simon Harris, is not here today.

Deputy David Cullinane: Hear, hear.

Deputy Mattie McGrath: That is especially so with the difficulties the Minister of State, Deputy Halligan, has had, which are known in the public domain, and the pressure he has been put under at Cabinet.

I thank the Minister for Transport, Tourism and Sport, Deputy Shane Ross, for being here to support his colleague in the Independent Alliance. The Minister for Health's honeymoon is well over now. He got an extra bit of time because he is young and energetic. I wished him well, but he has been a slow learner as far as health goes and has been captured by the officials in the HSE. He is a puppet for them now. I do not mind him slipping down quietly to see a hospital, which is what he should do. I want him to do it in Clonmel also. However, it is time for him to step up to the plate or get off the field. He must look after the people of the south east as well as the rest of the country. Just because they have it here in Dublin or elsewhere, that does not mean the rest of Ireland is provided for. Dublin is not Ireland and the HSE must be held accountable. The former Ceann Comhairle spoke today about the massive budget overruns and the absence of accountability. We are elected and accountable, as we should be. The Minister must be accountable rather than to send a Minister of State with a script to read to us. It is an insult and a disgrace and we will raise the matter here again on the Order of Business

and everywhere else.

Deputy Marcella Corcoran Kennedy: I thank the Deputies for affording me the opportunity to speak to this very important issue for their constituencies this afternoon. The Minister, Deputy Simon Harris, has asked me to convey his sincere apologies to the Deputies present. Unfortunately, he has another engagement which he was unable to avoid.

Deputy Mattie McGrath: It must be very important.

Deputy Marcella Corcoran Kennedy: It is.

Deputy Mattie McGrath: So is the south east.

Deputy Marcella Corcoran Kennedy: Indeed, and I hope I will be able to emphasise how important and how seriously the Government, including the Minister, Deputy Harris, and the HSE are taking this issue.

The House will be aware that last year, in line with a commitment in the programme for a partnership Government, an independent review of the need for a second cath lab at University Hospital Waterford was undertaken by Dr. Neil Herity. The review concluded very firmly that the needs of the effective catchment population could be accommodated from a single cath lab. However, investment was recommended to enhance cardiac services at the hospital and to provide an additional eight hours of cath lab activity per week to address waiting times and provide improved access for patients. At the time of the publication of the report, the Minister committed to providing the additional resources to University Hospital Waterford as recommended. I am pleased to confirm, therefore, that implementation of the recommendations of the Herity report has been identified as a priority action in the HSE national service plan 2017. To this end, an additional €500,000 has been allocated to the hospital for the coming year. The Minister has also committed to a further review after these extra investments have been put in place.

Following his visit to the hospital last November, the Minister asked the HSE and the south-south west hospital group to address the waiting lists for cardiology procedures at the hospital as a priority. I am delighted to report that very significant progress has been made in recent weeks. Indeed, waiting list data compiled and published by the National Treatment Purchase Fund last week shows that the cardiology inpatient and day-case procedure waiting list at the hospital has been reduced by almost 20% since the end of November while the number of persons waiting longer than a year has been reduced by some 67%.

While the Minister acknowledged warmly the collective efforts of all concerned to tackle the issue, he believes it is very important that this focus on the cardiology waiting list continues in 2017. To this end, he has been assured by the HSE that the hospital group has a robust plan in place to address the remaining backlog which involves access to cath lab capacity across the region. I am advised by the HSE that patients currently waiting over 12 months will have their procedures completed in the first eight weeks of 2017 and that patients waiting three to 12 months will have their procedures completed by June 2017. I know the Deputies will welcome that news. The House will be aware that budget 2017 made specific provision for those patients waiting longest for treatment within the health service. In this context, the Minister is considering a national cardiology waiting list initiative to address cardiology waiting lists across the country. A range of measures are envisaged including sharing of facilities and resources among public hospitals, the use of private facilities and the deployment of a mobile cath lab, including in Waterford, to augment the current plan which has been drawn up by the south-south west

hospital group to address the waiting list backlog. Further details of this proposed initiative will be made available in the coming weeks. I do not doubt that Deputies will be glad to know that as soon as those details are available they will be made aware of them.

Deputy Mary Butler: I have not been in the Chamber for a long time as I was elected at the end of February 2016. However, even I know that a Private Members' motion will not change the mind of the Minister. It will certainly raise awareness, which is what I am doing today, along with other Deputies. It may influence the Government. I brought a Private Members' motion through the House in regard to dementia care and raising awareness, which did not change anything. Only 69 people out of 500 received home care packages. I know exactly what a Private Members' motion will and will not do.

Deputy John Halligan: A vote of confidence could take place.

Deputy Mary Butler: I ask the Minister of State not to interrupt me. I thank the Minister of State, Deputy Corcoran Kennedy, for her answer. My petition today does not concern waiting lists, to which the reply referred. Rather, it refers to 24-7 cardiology cover and the implementation of the Higgins report which clearly states, on page 87, that Waterford Regional Hospital will continue to provide cardiology coverage for the south east population working in collaboration with cardiology services in Cork and that the current service should be extended with new appointments of cardiologists.

I have the book from which I have taken that information, which was published in 2012. We have taken note of the Herity report but not the Higgins report. The people in Waterford and the south east will continue to wait for 24-7 cardiology cover.

Deputy David Cullinane: I do not for one moment doubt the sincerity of the Minister of State, Deputy Halligan, on this issue but I do doubt the commitment from the Government to deliver for the people of the south east. It is not good enough that we are again being subjected to second best, second class services, with patients having to travel. When one strips everything away and takes all of us in the Chamber out of the equation, this is about 500,000 people who live in the south east. They want to be treated the same as everybody else. The reality is that across the south east we do not have access to emergency out-of-hours cardiac services, and that will continue unless the Government changes its mind.

The mobile laboratory is welcome, in so far as it will reduce waiting times. However, it should not be presented as some sort of solution to the problem. The consultants in Waterford and elsewhere in the region are not living in a post-Herity world and do not accept the Herity report. They are as resolute today as they were before the report was published. They argue that the terms of reference were flawed and the outcome was not good for the patients of the south east. They, along with all of us, want 24-7 emergency cardiac care for the people of the south east.

Deputy Bobby Aylward: I accept what the Minister of State, Deputy Corcoran Kennedy, said. She has good intentions, but her reply was not good enough. We can all play politics with hospitals if we want to and talk about what we did and did not do over the past 20 years, but we are where we are today.

I travelled throughout south Kilkenny during a by-election and a general election during the past two years. Every house I went into in south Kilkenny referred to cardiac services. People asked me what would happen if they, their husband, son, daughter, father or mother had a heart

18 January 2017

attack because from 5 p.m. on Fridays until 9 a.m. on Mondays services are only available in Cork.

People living in south Kilkenny, south Wexford, South Tipperary or Waterford have to be brought to Cork for treatment. We all know that those who have had heart attacks need to reach services in time - we do not need to be doctors or professional people to know that.

Deputy Butler mentioned the Higgins report. The Herity report is a stitch-up because it overruled the Higgins report. The Higgins report made it plain that a second 24-7 cardiac service was needed for the people of the south-east. The Herity report counteracted that view.

Deputy John Halligan: I thank Deputy Cullinane. I am sincere in what I am trying to do. I am convinced that fairness will prevail in the end and a second cath lab will be delivered. There is no question about that. Do I think that the mobile cath lab is ideal? I do not, but it is a small step forward. That is all I am saying. I am not saying it is the answer. I agree with everybody that we need and deserve a second cath lab.

Deputy Mary Butler: Yet the Minister of State chose to attack me.

Deputy John Halligan: Someone said this was not about politics but it is. Everybody here makes political decisions. The people on the other side of the House have the ability to put the Government and me out of office. If they are sincere-----

Deputy Mary Butler: The Minister of State has threatened-----

Deputy John Halligan: Let me finish. Let us be honest about this. They, rather than the Independent Alliance, hold the majority say in the Government. They could table a motion of no confidence in the Government if it does not bring forward a second cath lab. That will do it. I am not sure whether such action could be taken in a vote on a Private Members' motion on which the Government was defeated, but I am sure if a motion of no confidence in the Government came from Fianna Fáil on the necessity of a second cath lab in Waterford it would be supported by Sinn Féin and many other Independents, and that would be the end of it. The Government would have to provide a second cath lab or fall. I know that is not the solution.

Deputy Mary Butler: The Minister of State is passing the buck.

Deputy John Halligan: I am not passing the buck. Rather, I am making the point-----

(Interruptions).

Deputy Mary Butler: He is passing the buck.

Deputy Mattie McGrath: This is a very serious issue and we should not be fighting over it. The Minister of State, Deputy Halligan, should be careful for what he wishes. Christmas has gone and the turkeys have come home to roost, but he never knows what is coming.

The Higgins and Herity reports are HSE spin. I am not castigating the people who produced the reports but what is important are the questions they asked, the lead-in they had and the feed-in they got from patients. The officials who have now captured the Minister, Deputy Harris and the Minister of State, Deputy Corcoran Kennedy are control freaks.

Some 500,000 people in the south east are not less decent and do not deserve less respect than those in Dublin 4 and the leafy suburbs. We are their representatives and messenger boys,

and are here to carry the message that we are entitled to a second cath lab.

We welcome the mobile unit. Perhaps we should take the wheels off it and see whether we can keep it in Waterford before it is moved Dublin or elsewhere because of shortages. I do not accept the reply of the Minister of State, Deputy Corcoran Kennedy. The Minister, Deputy Harris, should be here because this is his place. He is probably sitting in his office with officials watching the debate and will say I was very hard on him. I will be hard on him. He has had his honeymoon. He is accountable to the people of the south east and he must sit up and listen.

Deputy Marcella Corcoran Kennedy: I wish to assure the Deputies present that the Minister, Deputy Harris, is not sitting in his office watching the debate. I will convey all of the points they have made to him. I wish to provide some reassurance on concerns around whether the area is being neglected.

At the end of December 2016, there were 4,623 patients on cardiology inpatient day case waiting lists nationally, of which 489 were in University Hospital Waterford. That shows that while there are challenges, University Hospital Waterford is not being singled out in any way. There has been an improvement, in that 14 patients within the cohort of the 489 have been waiting for more than 15 months compared to the November figure when 113 patients had been waiting for more than 15 months. The improvements are incremental, but they are still improvements and it is important that we acknowledge that.

We must also acknowledge the commitment of the people in the hospital to deliver on this. The figures provide evidence that 97% of patients are receiving an appointment for an inpatient day case procedure within 15 months, which is above the 2016 target of 95,000. I know there are concerns and that people are unhappy, but I wish to reassure everybody that every effort is being made bring down the figures. I also want to reassure people that the Government, the Minister, Deputy Harris and the HSE are absolutely committed to fulfil this.

On the 24-7 PCI services, the Minister for Health has made it clear that before there are any changes in how services are delivered he wants to establish how services are improved for the patients using them. The implications of ceasing the primary PCI services will be addressed by undertaking a national review of all primary PCI services, with the aim of ensuring that as many patients as possible of access to 24-7 PCI services. The review will be completed by the end of July 2017. I hope Deputies will accept our assurances that every effort is being made to provide services that people deserve.

Sitting suspended at 4.20 p.m. and resumed at 5 p.m.

5 o'clock

Tillage Sector: Motion [Private Members]

An Ceann Comhairle: From the looks of the Visitors Gallery, there is not much ploughing going on today.

Deputy Charlie McConalogue: It is a little early for it.

Deputy Eugene Murphy: It is a good day for it.

Deputy Charlie McConalogue: I move:

That Dáil Éireann:

notes:

— the absolute necessity to support tillage farmers and the rural communities that rely on this sector;

— that the continual trend of low grain prices, increased input costs and poor margins over the last number of years has intensified the income crisis and financial hardship in this sector;

— that farming organisations have estimated that tillage farmers suffered a severe income reduction of between €70 million and €80 million over the course of 2016, with reduced production in excess of 400,000 tonnes;

— the average net margin on tillage farms in 2016 was minus €130 per hectare, as outlined at the recent Teagasc Outlook Conference;

— that severe inclement weather badly damaged and destroyed tillage crops in Autumn 2016, encompassing coastal regions and other counties;

— the refusal by the Government to provide specific ring-fenced funding to offer financial assistance to tillage farmers who have seen their land and crop destroyed by severe weather in 2016; and

— the appalling vista that the Department of Agriculture, Food and the Marine underspent, by €86 million, its 2016 expenditure budget;

recognises the example of the Aid Scheme for Potato and Vegetable Crops Damaged by Frost, which was introduced in 2010; and

calls on the Government to:

— immediately establish a crisis support fund to provide direct payments to farmers who were impacted by severe crop loss in 2016;

— avail of current European Union (EU) State aid ‘*de minimis*’ regulations that allow the Government to make available tailored support payments for farmers of up to €15,000 per producer over a three year period;

— build alliances at EU level to seek Commission approval for temporary suspension of EU import tariffs on fertilisers to reduce input costs for tillage farmers;

— promote increased use of native grain and Irish malt in the manufacture of Irish whiskeys, artisan products and craft beers;

— implement proposals submitted by farming organisations at the National Tillage Forum; and

— open at once a Targeted Agricultural Modernisation Scheme (TAMS) investment tillage scheme which the Government had promised to commence in Autumn 2016.

As alluded to by the Ceann Comhairle, I welcome the many tillage farmers from the Irish Farmers Association, IFA, who are joining us in the Visitors Gallery today and who have cam-

paigned strongly on this issue. Earlier today they held a protest outside the Dáil to try to get their voice heard, to achieve some progress on the matter and to get a fund in place to support them in their time of need.

Our motion outlines the difficulties of tillage farmers in specific parts of the country and calls for, in particular, a crisis fund to be put in place to support them. It is unfortunate that we have to be here today because we have known about this issue for quite some time. Fianna Fáil has been campaigning on the issue since last September. Indeed, it has been campaigning on the issue since before the ploughing championships. It will have been clear to many of us who attended the championships that there was a real crisis at that stage.

When I raised the issue in the Dáil with the Minister, he indicated that he did not wish to give a commitment on a fund at that stage because he did not want to affect the ongoing salvage operation. The salvage operation concluded long ago and the time for a decision by the Minister also passed long ago. However, it is not too late and this can still be done. Our motion requests that a specific compensation fund is put in place to assist those many tillage farmers who lost crops. It is primarily farmers along the west coast from Donegal to Kerry and in some inland counties who, because of the weather conditions during the harvest season this year, were affected by wet days that ran on in a manner that meant that they could not get into their fields and that their soil was very soft. This meant that they could not harvest their crops. They now need support.

It is particularly necessary because, as the Minister will be aware, it comes on the back of three or four years of poor cereal prices. Farmers have not been making a profit and have been getting by in the hope of a better year to come. Further, this year those farmers, numbering approximately 250, have lost part of their crop. Some have lost up to 50% of their crop; others have lost more. This has placed them in a situation where they have to question seriously whether they can continue in their businesses. Over recent weeks and months they have been questioning whether they will be able to meet the bills that have been falling due. Most of them have not been able to meet those bills. It is therefore crucial that the Government recognises the situation and that the Minister comes forward with a proposal and a fund to assist them.

It is also clear that funds are available to the Minister. Last year the Department of Agriculture, Food and the Marine underspent to the tune of €86 million, so the excuse of not having the financial wherewithal to do it is simply not correct. There is also no excuse in terms of precedent. This has happened before. There is an example as recent as 2010, namely, the potato and horticulture assistance fund that was put in place to assist farmers affected by the weather back then. Fianna Fáil, with Deputy Brendan Smyth as Minister, put the structure in place. We came up with the funds to try to bail out those farmers in their time of need. The Minister should use that precedent and structure as an example of how to proceed and as a means of delivering for farmers now.

This issue has been discussed by all parties in recent months. It was discussed in detail at the Joint Committee on Agriculture, Food and the Marine. We invited members of the IFA to address us and considered the issue in detail. I remind the Minister that this cross-party committee has representation from all colours and backgrounds in this House. Given that it was an all-party committee, it is important that I am clear about the recommendations of the committee. The committee noted that “there is an urgent need to support farmers...gravely affected by [the] highly unusual weather events” and that “the funds necessitated to support those affected are reasonably small within the funds allocated to the Department”. It stated that “[t]he Min-

18 January 2017

ister should consider the introduction of a specific crop loss aid package for the tillage sector targeted at the affected farmers”.

As an explanation and a defence to not doing this, the Minister has pointed out to the many farmers here today that they can apply to the loan fund which the Minister is setting up instead. Somehow the Minister feels that this fund will help them in their time of need. I remind the Minister that the terms and conditions of that loan fund provide that normal lending rules apply. That type of fund cannot help those who need support - not more credit - right now. In that regard, I point the Minister to what the committee stated on the loan fund. It acknowledged that the loan scheme “may be useful to...farmers but does not sufficiently address the issues concerning the Tillage Sector, specifically, the farmers affected by adverse weather conditions this year”.

There is no reason for the Minister not to come forward and act on the back of this motion. I am hopeful that the motion will be passed by the House and ask the Minister to recognise what farmers, including those in the Visitors Gallery, have been saying over the past few months. Will he recognise their circumstances and the will of the House and the Joint Committee on Agriculture, Food and the Marine in calling on the Minister to put a fund in place to support these farmers?

The estimated cost is approximately €4.5 million. Three or four years ago, while in government, Fine Gael was very willing to walk along side farmers when times were good and to try to claim credit when the agriculture sector was doing well. In the past year or two, the farming sector has struggled. These farmers have certainly been struggling over the past few months. It is now that they need the support of the Government. It is now that they need the Minister to come forward with the funds.

The saying “where there is a will, there is a way” is often referred to on farms. Unfortunately, the Minister is saying, “No way”. He is not showing the will to make this happen, but it is within his power. We ask him to put the funds in place to support farmers in their time of need.

Deputy Jackie Cahill: The year 2016 will probably go down as the most difficult year that farmers in this country ever experienced. From grain to pig men, beef and horticulture - you name it - every sector of our farming industry was not producing enough to meet the costs of production. We are not here to lay blame for low world prices at the door of the Minister. A small group of farmers, through no fault of their own, had virtually no income in 2016. The grain industry has been under pressure for a number of years. Teagasc figures show that in 2016 the average tillage farmer lost €130 per hectare. This presents serious problems for the grain sector. A group of farmers lost virtually all their grain and straw last year. We ask the Minister to establish a fund for this small group. As Deputy McConalogue stated, there is a precedent for doing so. In the winter of 2010, when we had hard frosts, the then Fianna Fáil-led Government established a fund for horticultural farmers in north County Dublin. Sufficient funds are available to provide the funding required as the Department underspent its allocation for 2016 by €86 million.

No one who was farming 20 or 25 years envisaged that we would end up without a sugar beet industry. Unless we send out a signal that we are serious about grain farming, the same thing will happen to it. We do not want to have an agricultural industry in which only one sector prospers. In 2016, all sectors of agriculture came under tremendous price pressure. We must send out a signal to grain farmers that we are serious about maintaining the grain industry.

The Minister will no doubt argue that the targeted agricultural modernisation scheme, TAMS, is open to grain farmers and highlight the loan scheme that is being introduced. While these initiatives are welcome and will support the grain industry in future, the Government needs to demonstrate to the group of farmers affected that it cares about the grain industry by putting in place the fund we seek.

The Irish Farmers Association produced a survey clearly showing the losses incurred in each county. The problem is localised and specific as the figures will show the Department. As Deputy McConalogue stated, a sum of €4.5 million would cover the substantial losses incurred by the farmers in question. Providing this fund would show that we are serious about retaining the grain industry. It is imperative on us to try to protect all sectors in farming. Harvest 2020 and Food Wise 2025 set a series of targets in agriculture. Unfortunately, there are many clouds on the horizon. The British decision to leave the European Union, for example, will cause serious problems for the agrifood industry. Question marks have arisen concerning the future of the single farm payment because Brexit will create a black hole in the Common Agriculture Policy. This payment makes up a substantial part of the income of all farmers, whether they are involved in grain, beef, dairy or another sector.

All our farmers face major challenges. The decision by grain farmers to come to Dublin to protest outside the gates of Leinster House was not taken lightly. This motion should be passed to acknowledge the position of grain farmers and demonstrate that the Government is serious about maintaining the grain industry. The €4.5 million fund we seek would show grain farmers that we are serious about keeping their sector in business.

Deputy John Brassil: I also welcome farmers involved in the grain sector to the Gallery, especially those from my parish. As my time is short, I will get straight to the point. The motion makes a simple request that the Government establish a crisis aid fund of €4.5 million. Having been on the ground and witnessed the devastation caused to the grain sector, the Minister will be aware that this is a real problem and something must be done about it. Given the underspend in his Department's budget last year, the money required for this fund is available and it is within the Minister's remit to sort out the issue if it has the desire to do so. I have known him for a long time and he is a reasonable and practical man. I ask him to remain so.

The precedent established when a crisis aid fund was established for the fruit growers of north County Dublin in 2010 was mentioned. Last year, a crisis fund was created for the large number of people affected by flooding. These were both deserving cases and the grain farmers in the Gallery today are just as deserving. It is not unreasonable to ask for this fund because the grain industry needs to survive. The farmers in the Gallery and the people they represent need to produce a crop in 2017 and many will not be able to do so if a crisis aid fund is not established. The motion will be passed and I ask the Minister to make the fund available and allow everyone to get on with business.

Deputy Eugene Murphy: I support the motion. It is the job of government to come to the aid of people when they are in trouble. The grain farmers in the Gallery should not have had to come to the House. A scheme should have been established for grain farmers similar to that established in 2010 for fruit farmers.

Rainfall figures from Met Éireann for September 2016 show County Kerry experienced 28 wet days in that month, County Clare experienced 26 wet days, counties Donegal, Cork and Galway experienced 27 wet days and counties Mayo and Roscommon experienced 26 wet days.

18 January 2017

These are the official rainfall figures and it is clear from them that heavy rainfall created the crisis for grain farmers. The Fianna Fáil Party has been bringing this issue to the Minister's attention since October 2016 and we requested that he establish a fund on many occasions. Many of those affected live in County Cork, from where the Minister comes, and County Kerry, its neighbouring county. Other farmers in counties Roscommon, Galway, Mayo, Donegal and Clare have also been affected. The approximately 250 people affected need help. Some of them have told us that without assistance, they will go out of business. I plead with the Minister to act quickly. As has been stated, the underspend in the Department in 2016 was almost €87 million. We seek a fund of €4.5 million. This matter should be done and dusted this evening. The Minister should inform the individuals in question that the Government intends to act immediately, put in place the package we seek and ensure the farmers in question can plan ahead for 2017 and 2018.

Deputy Michael Moynihan: I am grateful for the opportunity to contribute to this debate. As previous speakers noted, while every aspect of agriculture is in crisis, grain farmers are in a particular crisis arising from the weather in September and October 2016. Many of the farmers affected have endured serious financial difficulty for some years because of low grain prices. The crisis, which manifested itself almost six months ago, needs to be addressed. Figures have been compiled that show what needs to be done. A fund must be established to address the significant hardship facing farmers in certain parts of the country. While grain farmers across the country were affected by the weather of September 2016, figures have been produced on the amount of money required in specific regions and areas.

The Minister must give serious consideration to this motion, which has been introduced as a priority. We did not take this decision lightly. Many of the affected farmers, having examined their books and taken advice from their accountants, are considering whether to stay in business. They have given their lives to producing good food. All aspects of the grain industry and businesses involved in associated manufacturing are experiencing a major problem. The Minister must establish a fund to ensure the people in the Gallery and farmers nationwide will have a livelihood and the Government will stand by them in a crisis.

Deputy Aindrias Moynihan: I acknowledge the farmers in the Gallery. Emergency aid is needed for cereal growers affected by the bad weather last year. Over 350 farmers, in the main in the south and along the west coast, have had crop losses of between 20% and 50% and, owing to high moisture and low KPH, payments for salvaged crop were poor. Farmers in many areas also experienced straw losses of in excess of 50%. As many of the farms affected are leased or rented from neighbours it will be difficult for farmers who have not had a harvest to pay their rent and cattle farmers in need of straw are faced with higher costs as they have to travel further to get it.

The tillage sector is important to the growth of our artisan food sector in terms of the demand for craft beers and whiskeys. This is a valuable sector that we need to support. Funding should be available to support farmers. There was an underspend of over €86 million in the Department of Agriculture, Food and the Marine last year and under the single payment scheme 3% of payments were held back for a hardship fund - savings for a rainy day. The rainy day has come and the money needs to be spent. It should be easy to identify from area aid applications and merchants receipts who is in difficulty.

The Minister in establishing a tillage fund would not be setting a precedent because as pointed out earlier in 2010 support was made available for vegetable growers. Last year, the

Joint Oireachtas Committee on Agriculture, Food and the Marine reviewed the situation and made similar recommendations for an aid package. The hands-off approach cannot continue. The Minister must act. Farmers cannot borrow their way out of this hole. Low interest borrowing is not a solution: direct aid is needed for farmers.

An Ceann Comhairle: The next speaker is the Minister of State at the Department of Agriculture, Food and the Marine, Deputy Andrew Doyle, who is sharing time with Deputies Jim Daly and Heydon.

Minister of State at the Department of Agriculture, Food and the Marine (Deputy Andrew Doyle): I move amendment No. 1:

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

“notes:

— the absolute necessity to support tillage farmers and the rural communities that rely on this sector;

— that the continual trend of low grain prices, increased input costs and poor margins over the last number of years has intensified the income crisis and financial hardship in this sector;

— the average net margin on tillage farms in 2016 was minus €130 per hectare, as outlined at the recent Teagasc Outlook Conference;

— that severe inclement weather badly damaged and destroyed tillage crops in Autumn 2016, encompassing coastal regions and other counties;

— the introduction in Budget 2017 of an adjustment to the current ‘Income Averaging’ system, allowing for an opt-out in an exceptional year; this facility is available for the 2016 tax year, in recognition of the cash flow concerns of farmers;

— the December 2016 payment of €3 million under the Protein Aid Scheme, paid to over 1,000 farmers growing in excess of 12,000 hectares of beans, peas and lupins; this coupled scheme was introduced in 2015 as part of the implementation of the reformed Common Agricultural Policy package in Ireland; and

— the early payment of Basic Payment and Greening payments, which commenced on 17th October, 2016, with balancing payments issuing from 1st December 2016;

and calls on the Government to:

— commence the rollout of the Government’s €150 million Agri Cash Flow Support Loan Scheme, in co-operation with the Strategic Banking Corporation of Ireland (SBCI), as a direct response to the challenging situation faced by farmers in recent months;

— ensure availability through this Scheme of highly flexible loans to livestock, tillage and horticulture farmers, for up to six years, for amounts up to €150,000, at an interest rate of 2.95 per cent, made available in line with the European Union’s (EU) agriculture State aid ‘*de minimis*’ requirements;

— evaluate further measures for the long term sustainability of the tillage sector, pend-

18 January 2017

ing the drawdown of this fund, and the resulting utilisation of ‘*de minimis*’ requirements, including in regions affected by a poor harvest in 2016 due to inclement weather;

— build alliances at EU level to seek Commission approval for temporary suspension of EU import tariffs on fertilisers to reduce input costs for tillage farmers;

— promote increased use of native grain and Irish malt in the manufacture of Irish whiskeys, artisan products and craft beers;

— consider further proposals submitted by farming organisations at the National Tillage Forum and convene a follow up meeting of stakeholders to engage in further discussions on the strategic future of the tillage sector; and

— open a Targeted Agricultural Modernisation Scheme (TAMS) investment tillage scheme.”

I welcome the members of the IFA and other organisations who are in the Gallery. I am pleased to have the opportunity to address the House on this very important matter. As a farmer, I acknowledge that 2016 was a challenging year for growers, both in terms of grain price and harvest conditions. My colleague, the Minister, Deputy Creed, will deal with the contention that there has an €86 million underspend last year. Most people who understand how budgeting works will know the facts.

As colleagues will be aware, the Minister, Deputy Creed, recently chaired a meeting with the main stakeholders in the tillage sector. This meeting provided a platform for the stakeholders to express their views and concerns on the challenges they are facing and to discuss the opportunities that lie ahead for the industry. I wish to advise the House of a number of key supports, some of which have been mentioned, that are available to the tillage sector.

On foot of a request from the forum, in direct response to the difficulties being experienced by farmers, one of our chief priorities was to provide low-cost, more flexible finance. In this regard, the Minister announced plans on budget day for a €150 million agri-cashflow loan support scheme. This has been developed in conjunction with the Strategic Banking Corporation of Ireland, SBCI, by leveraging EU and Exchequer funding totalling €25 million from the Department to deliver a total loan fund of €150 million, which will support highly flexible loans for up to six years for amounts up to €150,000. The commitment of national funding of €14 million to this initiative has allowed the inclusion of the important tillage and horticultural sectors. The interest rate applying is 2.95% and the product will be available to livestock, tillage and horticulture farmers. Loans will be provided in line with the EU’s agriculture State aid *de minimis* requirements. This is a cash flow support facility to improve the working capital position of farmers and other viable primary agriculture SMEs. The loans will be unsecured and are primarily to provide working capital and to pay down expensive forms of credit, such as merchant credit and other short-term financing facilities, including overdrafts. The SBCI aims to make the loans available to the market by the end of this month.

The loan scheme is part of a three pillar strategy among the tax measures agreed with the Minister for Finance for an adjustment to the current income averaging system, which will allow for an opt-out in an exceptional year, including 2016. As an additional support, advance payments were made last year in respect of the basic payment and greening payment schemes. To date, €1.168 billion has been paid to 122,899 farmers under the basic payment scheme. In addition, payments in excess of €195 million have been made to more than 91,000 applicants

under the areas of natural constraints scheme. A commitment to the development of the tillage sector is an integral part of this Government's agricultural policy. Food Wise 2025 contains a number of key actions to increase the role and value of tillage. Most of these actions have been identified and put forward by the industry.

The elimination of fertiliser tariffs and anti-dumping duties is a measure that could help farmers to reduce input costs and in that context we have asked the Commission to consider a temporary suspension of customs tariffs and anti-dumping duties on fertilisers. It is also Minister Creed's intention that the new targeted agricultural modernisation scheme, TAMS, measure, specifically tailored to the needs of the tillage sector, will open shortly. This scheme will support grain growers in drying, storing and marketing their grain so as to maximise market returns and details will be made available in the near future. The Minister also intends to shortly convene a follow up meeting of stakeholders at the national tillage forum. In full collaboration and co-operation with the various representatives of this sector, we will continue to seek to identify and target measures for the future development and advancement of this important sector of our industry.

Deputy Jim Daly: Tá áthas orm deis a bheith agam labhairt ar an tábhachtach seo. I welcome the opportunity to speak to this motion. I extend a warm welcome to members of the farming community in the Gallery from my constituency of Cork South-West, which stretches from the Minane Bridge, Kilbrittain, Timoleague and Barryroe area to Ballinascarty and Ballinacarriga and includes many other areas. I have the honour of representing a constituency, which along with west Cork, is one of the worst affected constituencies in terms of bad harvest last year.

I will not be supporting the motion because it is flawed. It is a motion that gives an open chequebook to 11,000 cereal farmers. We need to look no further than North of the Border to see the result of poorly thought-out and poorly orchestrated schemes.

Deputy Eugene Murphy: That is unbelievable.

Deputy Mattie McGrath: It is rubbish.

Deputy Jim Daly: The upcoming election in the North is the result of this type of scheme. I accept this is a populist proposal but it is not very practical. As I said, I will not be supporting this motion. However, I would like to put on the record my concern for cereal farmers who are on their knees as a result of the dreadful harvest-----

Deputy Mattie McGrath: Deputy Daly should support them.

Deputy Danny Healy-Rae: Support them.

An Ceann Comhairle: Please allow Deputy Daly to continue.

Deputy Jim Daly: Please allow me to finish. It is sometimes helpful to listen.

Deputy Mattie McGrath: Deputy Daly should listen to the farmers.

Deputy Jim Daly: I would like to dispel the myth that grain farmers are large farmers with massive amounts of acres of cereal. They are not. Many of them are small farmers. I have had approximately eight meetings with farmers in my area affected by the crop failure last year. Many of them are owners of small holdings of only eight, nine or ten acres and their entire crop

has been wiped out. There is no argument in terms of precedent and other sectors trying to get in on the back of it because other sectors at least got to sell produce this year. Unfortunately, many cereal farmers price did not matter because they had nothing to sell. There is a crisis in this area and the Minister is well aware of it. I have had as many meetings with the Minister on this issue as I have had with constituents in west Cork. I will continue to work with the Minister to ensure that a properly thought-out and developed package of aid is put in place to help these farmers.

Deputy Martin Heydon: I am delighted to have the opportunity to speak to this important motion. As a mixed enterprise farmer, I know only too well the challenges faced not only last year but in previous years by the tillage sector. I believe that the tillage sector has a critical role to play in the future of agriculture in Ireland. Steps have been taken in recent years to aid the tillage farmers and tillage sector. Land mobility budgetary measures and the encouragement of long-term leasing are critical to a sector that has too farmers dependent on conacre. Our efforts in Europe to bring about the elimination of fertiliser tariffs and anti-dumping duties has gained traction. Those efforts, along with addressing concerns over competition in Europe, should help to bring about a reduction in the cost of what is one of the most expensive inputs of a tillage farmer.

The inclusion of tillage in TAMS II is very important. The Minister will know from previous discussions how urgent it is to get that scheme open as soon as possible. Other measures, such as the protein crop payment under the basic payment scheme, and the first-time tillage measure, included as part of the knowledge transfer groups, are also key supports. They show the Government's commitment to the tillage sector. The previously discussed agriculture cash flow support loan scheme is also critical and will be very welcome when the fund will become available at the end of the month following the open call to financial intermediaries.

Tillage has a critical role to play in our agriculture industry, but not just to feed a growing beef and dairy sector or give more supplies to a burgeoning whiskey and distilling sector. In light of the commitments and challenges we face as a country owing to climate change, tillage has a massive role to play. An earlier speaker touched on the loss of the sugar beet industry, on which I campaigned passionately for a long time. What happened was a dreadful mistake for this country. Measures being brought in under the new CAP indicate the sugar beet industry always was key in crop rotation in the tillage industry. Tillage still has a very important role to play. The measures taken by the Government to date have supported the sector. I welcome the points made in our amendment and I will be supporting them. I refer to the ongoing work of the national tillage forum and the ongoing consultation facilitated by the Minister. We need an holistic approach to the sector not just in respect of the short-term issues currently faced, but also the longer-term issues, to ensure our tillage sector is well provided for. As an island nation, we must not repeat the mistakes of the past and we must ensure that we have a plentiful supply of tillage product in the future for the good of the overall industry.

Deputy Martin Kenny: I am sharing my time with Deputies Carol Nolan and Martin Ferris.

I acknowledge the motion tabled. It is a good one and we will certainly be supporting it. This is because there is no doubt that tillage farmers had a bad year due to the weather in many parts of the country. Between June and September, there were not three dry days in a row anywhere in the west. The bad year has had a huge effect. In addition, there is a crisis over the drop in the prices of grain. Import costs are rising and leaving us with poor margins in many parts

of the country. It is a matter of great importance in this country that the family farm survive. It is the bedrock on which our society has been built. Even urban dwellers, or “townies” born and bred, can usually go back only a few generations before finding their farming roots. The income crisis and the financial hardship which is becoming the norm over recent years mean that the younger generation of farmers is less interested in making farming its life’s work.

Every sector of farming has had a disastrous year within the recent past. Dairy farmers were on the edge - some still are - when quotas were removed. Beef farmers are deserting the sector by the new time, for the same reason. A bad year generally for tillage was exacerbated by dreadful weather in many parts of the west. There was despair among farmers on watching their grain crops lodging or experiencing such an amount of rain that harvesting was impossible. It could be said that if one drew a line from Cork to Derry, one would note that everything west of it was lost. In these circumstances, we have to be able to step in and ensure farmers do not go under. That is the responsibility of the Government as a matter of last resort. These are circumstances requiring action of last resort so the Government must step in and take action. The safety nets must be built into our systems and policies if we are to protect Irish farming against the ravages of globalisation. A first step in this direction, of course, would be to reject TTIP and CETA, but that is not what we are about tonight. Tillage must be protected. We all remember too well what happened with the sugar beet sector. If we go down the slippery slope, that is where tillage will end up in this country also.

With regard to the future of Irish farming, there must be some political will, a strategy and an agreement allowing the Irish farmer, coming from a small country and depending on international markets, to enter the farming profession with some confidence that the Government will support farming in both good and bad times, but particularly when disaster strikes. It is not as simple as saying that any business or profession is subject to market forces and other circumstances which cannot be totally controlled or determined by hard work and good planning. Farming is always vulnerable to *force majeure* circumstances and the whims of mother nature, and there is always a possibility of complete crop loss, particularly with tillage. There are tillage farmers in deep crisis now and they need some help. Some of them are renting land in order to grow their crops and they find themselves in dire straits.

Sinn Féin, in its budget submission earlier this year, made provision for a fund to be set aside because it recognised the tillage farming crisis was coming up. The Government amendment to this motion suggests that tillage farmers could avail of the low-interest loans that are being made available, but this is not enough for those in serious trouble right now. The loan scheme has practically used up the provision associated with the *de minimis* regulation, and the Minister’s assurances that he will examine the prospect of ring-fencing some funding for tillage farmers when the loan scheme is over means it will simply be too little too late.

Moreover, how will the Department know, by the time the loan scheme is over, who the farmers were who suffered real crop failure in the autumn of 2016? The only way it will know will be by looking around to see who has gone under. That is not the way to progress. The affected farmers are all victims of a wet autumn and rising fertiliser prices.

This motion calls for the suspension of tariffs from fertiliser imports from outside the EU. This needs to be dealt with urgently. Irish agriculture, now more than at any other time, needs the full backing of the Government. This measure, as proposed, is a low-cost measure, worth under €5 million, but it represents a pragmatic approach to a crisis which could not have been avoided. Nobody is saying the farmer could have done anything differently. It is nature that

has put us in this position. The Government needs to step in.

Irish farming has Brexit to deal with and the Government must be proactive on this issue. It is difficult to know, even after yesterday's speech from Prime Minister May, what the British Government has in mind in reality for farming in the North or in regard to the effect it will have on us here in the South. We have to find out what is in store in so far as we can. The Minister and his officials must be seeking information and trying to influence the practical results of Brexit for cross-Border trade and co-operation in agriculture. The reality is that our agriculture sector has, for some considerable time, been in crisis. Irish grain farmers need the support of the Government. We are talking about a small number who are in absolute crisis. Many are present this evening. They are not here because the proposed measure is something they are hoping for; it is something they are depending on. In this regard, I humbly ask the Minister to step up to the mark and ensure these farmers are not let down.

I spoke to the Minister last year about the impending crisis in the west. He said he would deal with it if anyone was in circumstances in which he was able to feed his cattle. The tillage farmers are farmers who have lost their crops. The Minister simply must deal with it. I appeal to him to find the money, put it to one side and ensure the affected farmers are looked after.

Deputy Carol Nolan: Táim buíoch as ucht an deis labhairt ar an ábhar tábhachtach anocht. All of the farming organisations have highlighted the severe crisis facing tillage farmers across the country. Tillage farmers have been hit very hard this year with the delayed harvest, poor yields and low prices. According to the Teagasc annual review and outlook for 2017, Irish cereal yields were down 12% for wheat and 8% for barley in 2016 by comparison with 2015, while prices have also reduced. This decline in income is taking place at a time when input costs have increased and the net margin of the average cereal farmer has reduced by €130 per hectare. The result is that farmers will find meeting repayment deadlines or making any additional investments extremely difficult this year. The farmers need the support of the Government. They do not need goodwill but support.

A survey carried out by farming organisations indicates quite clearly that individual growers experience losses running from 25% to close on 50%, with straw loss averaging approximately 50%. These are only average losses. Others are experiencing significantly higher losses. This is not the fault of the tillage farmers, but this once-in-a-lifetime situation has compounded the deepening income crisis on many tillage farms after four consecutive years of low grain prices below the cost of production, increasing costs and reducing direct and greening payments.

There are over 11,000 farmers across this State. We know that hundreds have been affected severely by this crisis. The Government must not sit on its hands while a key agricultural sector is abandoned and left to suffer in this way. Support must be made available to tillage farmers immediately.

In this context, the underspend of €86 million in the Department of Agriculture, Food and the Marine is astonishing. My colleague and Sinn Féin MEP, Mr. Matt Carthy, who is a member of the European Parliament's Committee on Agriculture and Rural Development, has consistently raised this issue. He has highlighted the need for an urgent financial package for those farmers impacted by severe weather damage. A low-cost scheme does not address serious cash-flow problems in the here and now. For many farmers, the scheme will be too little, too late.

The Government is failing grain farmers by refusing to prioritise this issue as its French

counterpart has done. Must other countries lead the way every time? Can we not use some initiative now and again or be ahead for once? Grain farmers in France, who have not suffered nearly as badly as farmers in Ireland have, have been successful in bringing the issue directly to the European Council whereas our Minister and the Commissioner have refused to seek a solution at EU level. This comes as no surprise.

The major problem is that, unlike the French, the Irish Government never officially asked for support. The only way for crisis funding to be provided is if a number of governments ask for it. It is dreadful that we must make this point. The Government should ask for the support. Europe will not just hand it to us. We must make the case for our farmers. The Government needs to act without delay. We do not want anymore excuses, only action.

As we all know, the impact of severe weather in 2016 was devastating for many tillage farmers, with crops almost entirely wiped out in some cases. Without financial support, these farmers will not survive. It adds insult to injury to offer a loan system at a time when the crisis has deepened for many farmers. The Government and Brussels must step up to the mark and support our grain farmers, who will otherwise face financial ruin.

Deputy Martin Ferris: I welcome the farmers who are here as part of their campaign for justice, which is what it is about. I was disgusted by the commentary by a Deputy who is no longer in the House. He tried to compare cash for ash, which was a questionable scheme introduced by the DUP, with an aid package for genuine farmers.

Deputy Michael Healy-Rae: Hear, hear.

Deputy Martin Ferris: That was a disgraceful comment to make and I hope that when the Minister gets to his feet, he will distance himself from it.

I know the farming community because I come from it. I know the tillage farming community because I was brought up in it. Its members would not be present today if they had anywhere else to go. They have come here to beg for justice so that they can survive and live on their farms. Is the Minister conscious of the costs that they incurred last year? The cost of seed was borrowed money. The cost of spraying was borrowed money. Conacre renting was borrowed money. The cost of fertiliser was borrowed money. The interest that they owed to banks on their machinery was borrowed money. However, the Minister of State has the audacity to say that there is an interest loan of 2.95% to help them through this period. He is offering them a loan to repay their debts. He also stated that, in terms of tax, the income averaging system would allow for an opt-out in an exceptional year. How can they benefit from a tax scheme when they cannot afford to pay tax, given that they have no incomes?

Is the Minister aware that, across the south and south west, an effort was made to bring obsolete combines to the west and other places to try to salvage a harvest? Is he aware that most of those who are present today and their families outside Leinster House's gates are struggling to put bread on the table? I have been sitting here for nearly 15 years looking across at Governments that lived in a bubble and did not give a God damn about rural Ireland or people who struggled to put bread on the table and make a living. They did not know the realities of what people on the ground needed and deserved. A small amount of money would get these farmers out of trouble, but it will take a political commitment from the Government and everyone in the House to see this through. That is what we must do and stand by.

Not only did farmers lose their grain harvests, but also their straw harvests. I know farmers

18 January 2017

who have no income, only costs, as a result of what happened over those months. The Government has a duty to provide justice to the farmers who are here and ensure that they can survive, make a living and put bread on the table for their families and neighbours. The Government should also remember the effect this money would have on the farmers' communities, in that the farmers would have more spending power.

People are appealing to the Minister and I am telling him that he has to do the right thing. He has to stand up for the farmers who are present and give them justice. They might be a small lobby, but they are human beings. They are our people and they deserve justice.

Deputy Willie Penrose: Like my colleagues, I welcome the tillage farmers, who have made strenuous efforts to attend for this important motion. I spoke to them at the protest outside.

I welcome the opportunity to support the motion on behalf of the Labour Party. The motion seeks to address the grave situation and significant income difficulties experienced by tillage farmers in 2016, in particular the 250 or 300 farmers who have suffered losses that imperil the future of their grain farming operations. Surviving a season in which the cost of production exceeds returns from the crop is difficult, but when one has no returns at all, one is in the midst of a catastrophe. A corollary of the losses, for example, the loss of straw, is a significant increase in the price of that commodity for other farmers. This affects all farming sectors. As a former agriculture consultant, I would be concerned about this factor were I still involved in that game.

The overall issue has been addressed in a comprehensive fashion by the Joint Committee on Agriculture, Food and the Marine. Like a number of the Deputies present, I am a member of that committee. Deputy Deering is an excellent Chairman. We submitted a detailed report to the Minister's Department that recommended an imperative to support those tillage farmers who were gravely affected by the unusual weather events. The committee noted that, while the financing required to put in place a crisis support fund would not be insubstantial, it would have been small in the context of the overall expenditure envelope available to the Department. There is a precedent, namely, the difficulties that arose with potatoes and vegetable crops in 2010.

That many tillage farmers face severe financial difficulties as a result of last year must be considered in light of the fact that the tillage sector also suffered over the preceding four years or so. It is an ongoing problem. There are significant substantive issues to be addressed in the sector and a specific and focused strategy needs to be developed. This will necessitate the consideration of mid to long-term programmes of support.

In reply to the committee, the Minister referred to the difficulties in providing aid in the context of state aid rules. While I appreciate that such issues cannot be discounted easily, it was our collective view that the Minister should consider the introduction of a specific crop loss aid package for the tillage sector targeted at the affected farmers. Deputy Jim Daly referred to the need for a targeted and precise scheme, but the affected farmers have been carefully and clearly identified. The recent Teagasc conference confirmed that there were negative margins for tillage farmers in 2016. The return from the market for producing a serial crop last year was negative across the board. In the course of meeting with the farmers protesting outside the Dáil today, it was articulated that a failure to intervene positively could damage their confidence in future. That would have a knock-on effect, not just on feedstuffs produced for the wider farming community but also for the malting industry. We have a lot of rural craft brewing industry in that area that could be severely and negatively impacted so this issue has wider connotations

than what we are discussing.

Specific targeted cash aid could be provided with direct compensation payments of up to the sum of €15,000, reflected in the state aid *de minimis* ceiling. Farmers who are in a critical situation at present are well aware that those who have benefitted from such payment could not avail of similar compensation in the event of another crisis within a three-year window. The question at issue that must be addressed here and now is that the three-year window will not worry them as some of those affected will not be in the industry at all unless help is forthcoming at this juncture.

This issue has been ongoing since autumn 2016. My colleague, Deputy Seán Sherlock, who is from the Cork East constituency raised this issue at a meeting before Christmas. We spoke to a number of farmers who were already impacted by the weather at the national ploughing championships. It was pointed out to us that the entire west coast was in severe difficulty at that time, from Donegal down to Mayo, Galway and Clare, into Kerry, Cork, Tipperary, Roscommon and Meath and even a few farmers in Westmeath were affected. They signalled that they were in severe difficulty at that time, which means the situation has been ongoing for the past five months.

The Minister should be able to seek a derogation or exemption pursuant to the agricultural block exemption regulations which permits compensation to be paid to affected applicants where they have sustained damage that arose from a severe climatic event. The Minister should examine the rainfall data for September 2016. One of my colleagues read it out. There were unbelievable levels of rainfall over a 25-day period in the affected areas. High relative humidity was also experienced over the same period so even if a crop was produced it was worthless in terms of recoverability. This is the equivalent of a disastrous situation. One could not recover anything as the condition of the land prevented any attempt at harvesting crops, disastrous and all as they were, but most crops were lost in any event.

It is acknowledged that the €150 million agriculture cashflow support loan scheme may have a useful role in the future for certain farmers but it is clear that it does not sufficiently address the issues concerning tillage farmers at this juncture, which were so eloquently set out by the farmers demonstrating outside the Dáil this evening. Specifically, it is of no benefit to farmers affected by the weather conditions in 2016. One cannot operate retrospectively in terms of costs that have already been incurred.

The joint committee outlined a number of options in its submission to the Department which were predicated on an immediate response to the crisis such as cash aid being made readily available and other medium-term to long-term actions required to help develop the tillage sector in the future. It is likely that a crisis such as that recently experienced will recur.

I wish to address another big issue that has been consistently raised for a number of years by the IFA. I have had my battles with the IFA and will have more in the future. The IFA's national grain chairperson, Liam Dunne, who I greatly respect, has for many years focused on the necessity of a temporary suspension of EU import tariffs on fertilisers to help reduce the significant input cost on farmers, especially those engaged in the tillage sector. Something must be done in that regard. We are now talking about custom duties, levies and tariffs. I note there was a recent reference by the IFA to the complete dysfunctionality of the fertiliser market. The view is that farmers are being held to ransom by the way the European fertiliser industry operates. That is a matter of concern. The description arises following recent brazen attempts by European manu-

18 January 2017

factors of fertilisers to foist significant price increases onto the backs of farmers. In order to help secure the future of the tillage sector the Minister must consider the temporary abolition of tariffs, anti-dumping duties and levies on fertiliser imports. The Minister must seek to try to achieve that at EU level. I accept he is probably trying to work to that end but it will not be easy and he must try to bring together people who are supportive in that regard. The French have never been behind the door in coming forward. Indeed, they disregard most of the regulations anyhow. I laugh at the manner in which officials from the Department run around the country. If one were to hang a bit of bacon outside the door they would close down the shop, but if one goes to Paris or anywhere else one sees bacon hanging up and everything flying around it and no remark is made. We must bring an end to the nonsense of always kowtowing and bending the knee to the various authorities. I have no time for them.

Deputy Mattie McGrath: Well said, Willie.

Deputy Willie Penrose: I can understand why some British people reacted the way they did. They were fed up with the envelope of regulation. I detest it myself because the bureaucrats run loose. They know the price of everything and the value of nothing. In any event, it is time the Minister tackled the issue in order to get the anti-dumping levies on fertiliser imports suspended in their current form. They are clearly set out to protect EU manufacturers of nitrogen and ammonium nitrate but somebody carries the can for that level of protection and in this case it is clear that farmers are carrying the financial burden of €50 to €60 a tonne of product. If it were abolished it would represent significant progress in that regard and send a signal of hope to a sector of the farming community that might well be lost in the next decade if we do not act.

Deputy Bríd Smith: I wish to start by saying we need to identify the ongoing challenge that climate change is bringing to the world, in particular to the world of food production. The year 2016 was the hottest one on record, globally. It was 1° above previous average temperatures. The increased extreme weather conditions, which lead to flooding, heavy downpours, storms and especially the increased flooding and downpours in the west, were accurately predicted a number of years ago. It has been shown that such occurrences are not one-off events but will be repeated. The incessant rainfall in the west, in particular in areas such as Kerry, which saw the highest rainfall in years, is, to quote Liam Dunne of the IFA, “disastrous” for the farming community. He described what happened in Kerry as the crop literally being beaten to the ground and at the end of the season there being nothing left to harvest. Unlike what the Kerry Deputy, Danny Healy-Rae believes, I do not accept that this is an act of the man above, rather it is clear scientific evidence-----

Deputy Danny Healy-Rae: Deputy Bríd Smith will do nothing about the weather anyway.

Deputy Bríd Smith: -----that climate change is a consequence of a chaotic and ill-thought out economic system of production we have right across the world. This was not just a crisis for 2016 for hundreds of farmers who are in the Gallery today, there will be a similar crisis in 2017 and it is clear that the farming community, especially those who engage in tillage, need the financial and planning support of the State not just for last year or this year but on a more permanent thought-out basis.

As other speakers have indicated, between €3.5 million and €4 million has been lost by hundreds of farmers but, ironically, for the same reason, 2016 was a very good one for the production of crops internationally. Elsewhere in the world improved crop production has resulted in a drop in the price of grain globally. That does not mean we will get cheaper food in supermar-

kets or that we will end global hunger, it will just mean that the profits of the big, multinational agrifood corporations will increase and their profits are sacrosanct. Needless to say we will not see a decrease in food poverty or in the poverty of the farmers who are here today.

However, it is not just a crisis of climate change, weather and declining grain prices that farmers must deal with this year, there are many other issues impacting on farming and rural communities. I find it highly ironic that the two parties which have led this country in the past, namely, Fianna Fáil and Fine Gael, are trying to outbid each other today in their support for those farmers, but at the same time they show little concern about a deal like CETA that is coming down the tracks and will affect small and medium farmers. There has been no critical analysis of how the deal, which both parties uncritically support, will impact on the same communities they are addressing today.

In reality, they show little concern either for the fact that rural post offices are being closed down. Yesterday we heard an announcement by An Post that it would close hundreds of post offices. Another issue of concern relates to a matter we discussed yesterday on the winding down of Bus Éireann and how that will impact on rural transport. Little concern has been shown by the two parties for the impact of all those measures. We need to think hard and fast about why the two main parties which are responsible for what has happened in the State for decades seem to outbid each other when it comes supporting small and medium farmers, but when it comes to the bigger picture they are failing rural communities and the farming community in general.

6 o'clock

To add insult to injury for farmers, a report in the *Irish Independent*, which I am sure was not lost on them, stated that:

Industry sources say that as many as 200 farmers may be affected by the sale of a €2.5bn Ulster Bank loan portfolio to US vulture fund Cerberus last October. Hundreds more could also come under pressure if the anticipated sale of other Irish mortgage portfolios to global funds goes ahead.

The article quoted David Hall, CEO of the Irish Mortgage Holders' Organisation, as saying that "this year we are going to see a very significant increase in vulture fund activity against everybody, including farmers." They are swooping on family farms, the ultimate cause of which is what the Fianna Fáil-run Administration did to this country when it handed it over to its buddies in the banks and to developers and the continuation of the same policy by the Minister for Finance and this Government through giving tax breaks to these vulture funds and actively encouraging them to come to this country. Both parties have resisted any legislation that would have meant that we could see an end to the automatic eviction of farmers. Both parties failed to support an amendment of mine to the Courts Bill before Christmas. I have little expectation that either party will support the anti-eviction Bill we brought to the floor of the Dáil last night. These communities will continue to be hammered by climate change, the closure of rural post offices, the running down of rural transport and the behaviour of the vulture funds and the banks and we are sitting back and allowing it to happen.

I support the indicative part of the motion that says that we need to support the farming communities in this particular crisis but it needs to be flagged that this is not the end of it. We must tackle climate change, part of which is increasing public transport rather than decreasing it, having a sensible approach to food production and cutting out the market madness that al-

lows fluctuation in respect of the production of essential commodities like food. Discussing this and the impact on rural communities is a very important issue for us. We need to look at the underfunding of rural Ireland and the destruction of communities and stop the hypocrisy involved in saying on the one hand that we support them while on the other, supporting the banks, the closure of post offices and the destruction of rural transport.

An Ceann Comhairle: I understand Deputy Pringle is sharing time with Deputy Fitzmaurice.

Deputy Thomas Pringle: I fully support the motion. It is clear that there is a crisis in the tillage sector across the country. This is evidenced by the number of farmers who have come here to listen to the debate. It is a crisis that has been building up for many years. Since 2012, over 100,000 acres have been taken out of tillage farming across the country. Last year, 2016, was the year that crystallised the entire crisis when the adverse weather conditions wiped out many farmers and their production across the country from my county of Donegal down the west coast into Cork. According to the IFA, this has led to an estimated reduction of €70 million to €80 million in income in 2016 with crop losses of up to 50% and some farmers' production being wiped out. This is a crisis on anybody's terms. The Government amendment to the motion does nothing to address that and will do nothing to help farmers address this crisis.

What is needed at a minimum is for the Government to avail of European state aid *de minimis* rules to allow up to €15,000 per producer to be subsidised directly to them because I do not believe that any low-cost loan facility will be of any use to farmers who simply do not have an income to be able to make repayments on the loan in the first place. What we need is an aid scheme under the existing European Union rules that facilitates and looks after those farmers. We need the Government to take further action in terms of the fertiliser industry and the tariff dumping that is taking place to ensure that input costs for farmers can be reduced so that when they do get a crop, they can make some money out of it. This is what needs to be done urgently by the Government. I urge the Government to withdraw its amendment and support the motion as the only one that can make real difference for farmers.

Deputy Michael Fitzmaurice: I thank Deputy Pringle for sharing time. I support this motion. Last year, I was in Mayo, Roscommon and Galway and walked through fields that were soaked in water. I saw farmers devastated and a gaunt look on people's faces who did not know what they were going to do. Those farmers are still paddling their own canoe and nothing has been done for them. There is plenty of sympathy out there. One sees it everywhere, be it on Facebook or in the *Irish Farmers' Journal* or whatever paper one reads. Everyone is saying farmers are hard done by but I can tell the House one thing. Sympathy will not solve the problem when the little envelope with the window on it arrives from the merchant looking for the price of the spray or grain or the auctioneers saying they want the price of a bit of rented land. Sympathy will not pay that. Sympathy will not pay the banks. Some farmers, particularly young farmers, have borrowed money to get into the world of farming. It was what they and their fathers believed but, sadly, Governments seem to want to forget about it. Farming is the bad relation at the moment.

Farmers seem to be forgotten in all the different sectors across industry at the moment. We are fighting a battle relating to GLAS. On 31 December 2016, 9,500 farmers, some of whom are tillage farmers, were due to get their GLAS payments but they have not received them. Affected farmers also include beef, dairy and sheep farmers. The sad part is that these farmers are too busy at home trying to cater for their businesses. One does not see them up in Dublin too

often for the simple reason that they love the land. They have stayed on the land and want to hand it on but, sadly, Governments forget that this is the way it should be.

The Government amendment is an insult to farmers. Day after day, I have heard the palaver that farmers can borrow money and that the Government will give them money. I spoke to bank managers yesterday who told me they had not even got word of it. It could be next September. In case Ministers or Deputies do not know, one sows the grain in April or May. One is not going to sow it next September. That is when one is supposed to harvest it so one can forget about getting a loan to solve one's problems. It has been said that farmers can get into the targeted agricultural modernisation scheme, TAMS. TAMS might be great and I have no problem with it but it is a percentage. It might be 40% or 60% but one has got to have a few quid in one's pocket if one is building a shed or whatever one is going to do under TAMS.

The reality is that we are not talking about the whole grain industry. We know there are problems in the whole grain industry in this country and indeed in Europe but that needs to be addressed in a European forum and sorted out with the Council of Ministers. It is well known that a section of farmers have lost their livelihoods and have no income. They got no cheque back from the mill. We need to get that into our heads. They owe money. When one walked in the fields, one walked in water. one could not wear shoes where the combines worked. One had to wear Wellington boots. There was regrowth. There is a bit of green for anyone who does not know but, alas, nobody gives a damn because, sadly, most of this is in the west of Ireland from Donegal, down to Mayo, Roscommon, Galway, Clare, parts of Kerry and the end of Cork. There was a problem in parts of Wexford where the fog was coming in. A small percentage of farmers have been affected but when one is a small farmer, one probably does not really matter. The drive is more to make sure that regardless of the guy in tillage, we give the vulture fund or the bankers as much as we can to plant the west of Ireland, drive the people into the towns and forget about our communities, what we are about and where we were brought up. Then I hear a Minister stand up and say farmers got money early. However, so did the beef man, so did the sheep man and so did farmers who did not have anything other than cutting a bit of hay - they got their BPS. There has been no special treatment for these tillage farmers so far.

Last night the Minister spoke about the loan and the TAMS, but these people need money to compensate them for what has gone wrong. I recently looked at some departmental records. In one part of a county - perhaps in the Minister's county of Cork - the grain might have been perfect, but in another part of the county it might not have been possible to drive a tractor with twin wheels to put it simply. Alas, it does not seem to matter.

I hope the motion works, but I have been here for two years. I will be very clear and straightforward with the farmers, who I welcome here this evening. Let us be honest with them, they should not be brought up to the top of the hill and left there on their own. The reality is that sweet damn all has been done following many motions that have been introduced in this Dáil; they have not solved anything. What Deputy Penrose said about the French farmers earlier was right. When the French farmers kick, everyone listens.

We have contacted the MEPs and brought them to the different places. Those MEPs made it clear that Ireland did not make a case to Europe for our problem. If we do not ask, we will never get. We saw it previously with different problems - we cannot ask those in Europe about slurry, we cannot ask them about the problems with the pigs at the moment and we cannot ask them about this, that and the other. I ask them about the forgotten farmer. I heard last night that the IFA was advised that Europe would not allow it. I have a letter stating that it would allow

18 January 2017

it. If we do not ask, we are going nowhere. If we are not going to help these farmers, let us be honest and straightforward about it. Looking to 2025, there is an onus on us to ensure the small farmers matter because they are Irish people and we should be proud of them.

An Ceann Comhairle: Deputy Michael Healy-Rae is sharing time with Deputies Michael Collins, Danny Healy-Rae and Mattie McGrath.

Deputy Michael Healy-Rae: I thank the Fianna Fáil Party for tabling this very important Private Members' motion. I welcome Joe Healy, the president of the IFA, Liam Dunne, the chairman of the IFA grain committee, Neilus O'Connor from Moyvane, vice-chairman of the IFA potato committee, great farmers like Mike Marshall and each and every other person in the Gallery along with the people who are outside because they could not get in here tonight.

I say to the Minister that this is a most serious situation. Farmers endured 11 weeks of rain and misfortune that no one would wish on his or her worst enemy. They are here today, but they do not want to be here. They do not want to be looking for compensation or a package, but they are here because they cannot balance their books at home. I implore the Minister and his colleagues to support the timely motion tabled by Fianna Fáil Members, and I again thank them for it. The Minister should do his level best to put together a package. In the overall scheme of things the amount of money requested is not enormous. It is actually a very ordinary amount of money if we think about it realistically.

I raised this issue with the Minister a number of months ago and I asked him for a package. He offered this interest-free loan and all that. They do not want that; all they want is a package to be put in place. Anyone on the Government side of the House who was comparing what we are seeking to the "cash for ash" is talking trash. I ask the Minister to do the right thing and support this fine group of people who are here today.

Deputy Michael Collins: I fully support the tillage farmers' request for compensation as a result of the severe weather conditions that seriously damaged their crops last autumn. In mid-September I visited a number of farms in the Bandon, Kilbrittain, Ballinspittle and Kinsale areas where I saw at first-hand what the weather had done to those grain crops. The crops were sprouting in the field and many of the heads of the grain were on the ground. When the weather improved later in September, the harvest was only a salvage operation - these crops were damaged to such an extent.

Noting the severity of this pending crisis, I immediately raised the issue on Leaders' Questions in the Dáil. I called on the Minister to put increased supports in place and make compensation available to farmers who had suffered huge losses. In November in the Dáil I again called on the Minister to make compensation available. Following that I wrote the MEPs from Munster, asking them to represent the tillage farmers in Europe and to raise the issue of compensation with the EU and the Minister for Agriculture, Food and the Marine. I also spoke at the Joint Committee on Agriculture, Food and the Marine on this issue. On 3 January I wrote to the Minister for Agriculture, Food and the Marine to request a meeting. I had planned to bring in some of the farmers seriously affected, but it appears that the Minister is either unwilling or unable to meet.

While I welcome the steps outlined by the Minister, they do not go far enough to address the present crisis. While I welcome the introduction of TAMS for tillage farmers, I point out that the tillage farmers are among the last section to have TAMS applied to them. The year 2016

was the fourth year in a row in which many tillage farmers were trading at a loss. Over the past four years the amount of land in cereal production has dropped by 100,000 acres and that is predicted to fall by a further 67,000 acres this year. The Government must step up and support our tillage farmers, as without the support the farming sector will not survive.

I fully support the motion to introduce a rescue package for tillage farmers immediately. I see many of the farmers who have been affected in the Gallery. Approximately 375 growers have been affected, with 140 in south County Cork. It is time to sit up. The Minister cannot continue to say “no” while many of these farmers, including those in the Gallery, are going out of business. It is time to act - saying “No” is not an option.

Deputy Danny Healy-Rae: If the farms are going badly, the towns and businesses are going badly as well. Some, although not all, grain farmers were hit so badly that they got no crop and therefore no income. I ask the Minister to accept the motion. All they are asking for is €4.5 million. The Minister could get it from Europe if he applies to it. There is a special fund that can be accessed when farmers are hit by inclement weather. Perhaps the Minister does not know about it, but it has been used in the past.

Grain farmers were struggling anyway, but the tillage men in Brandonwell, Fenit, Ardfert, Ballyheigue, Causeway, Abbeydorney and throughout north Kerry were badly hit because they got no grain at all. They were swamped for the months of August and September. Likewise the people from Ballygarvan, Bandon, Dunmanway, Clonakilty and as far as the Mizen Head were hit with sea fog and they got no crop at all. These people who are in the Gallery are on their uppers now and have not a bob. They will not be able to continue into next year. Talking about a loan at this stage is only coddling them. That might suit later on, but it will not help them now.

Now is the Minister’s time. If he rejects this motion, he will pay a high price because many people very close to him are suffering badly. This needs to be targeted at those who are in trouble because some farmers got grain, but the ones who did not, especially those in Cork, Kerry and up along the west, are the ones who need to be looked after. If the Minister ignores the motion or goes against it, he will pay a high price for it. Fair is fair; these people have nothing left and have nothing to start from for next year. The Government amendment is only a cod.

As for the Deputy who said she would like to blame me for the weather, she will not get away with that. That will be for another day to sort out; it is about the farmers this evening.

Deputy Mattie McGrath: I also welcome the very dignified protest that took place outside Government Buildings and Agriculture House. I welcome the IFA president, Joe Healy, and the IFA national grain chairman, Liam Dunne, along with na daoine óga, na buachailí óga a bhí amuigh agus na mná freisin. The Minister should know this because he is a farmer, as is the Minister of State, Deputy Andrew Doyle and the man sitting behind them, Deputy Pat Deering. They must be blindfolded if they cannot see what is happening. Thankfully in County Tipperary we had an excellent harvest, good weather and reasonable crops but we had poor prices. That is fair enough, we can manage with that. Three elements must be right in order to get a good harvest - good crops, weather and prices. Prices at the moment are very bad and the people in the Public Gallery this evening would be ploughing their land in preparation for next year’s harvest if they did not have to come up here. They should be ordering fertiliser from their suppliers but they cannot do so because they cannot pay for last year’s supply. Surely to God the Minister understands this. We cannot put up with this balderdash from the Government in the form of the amendment it has proposed to the motion. I think the amendment will be de-

18 January 2017

feated and the Government will be forced to act. I hope this happens because the Government does not deserve to be in office. Its members will not listen to the people and support them.

Farming has become a dirty word and farmers are not wanted. We heard Deputy Bríd Smith earlier lecturing us about climate change. It is a wonder that she did not start talking about abortion in the middle of it because that is all she ever talks about. What does she care about the farmers? I know what she would make all right. If scarecrows were scarce, we would be in business. I am not going to say any more about that because she took offence one time-----

An Leas-Cheann Comhairle: I ask the Deputy to confine his comments to the motion before the House.

Deputy Mattie McGrath: I will confine myself to the issue of farming. It is the Deputies who know about farming who should confine themselves to the issue and who should look after farmers. The three Government Deputies present in the House were elected by people from rural areas but they will not support them. They went around, knocking on doors to get votes and support but when it was their turn to support the people, they did not do so. They did not go to Brussels and ask for funding. We should not even be asking, with the Taoiseach acting like a lapdog to Ms Merkel for the last six years; we should be demanding the money. The fund is already in place. The French would not stand for it and nobody else would stand for it.

Deputy Penrose made reference to regulations. When we get regulations from Europe, our brave boys in the Department of Agriculture, Food and the Marine add about seven statutory instruments to them and that is all they do. They make jobs for themselves. We have one agricultural officer for every 30 farmers-----

An Leas-Cheann Comhairle: The Deputy has exceeded his time.

Deputy Mattie McGrath: -----but only one garda for every 340 people.

An Leas-Cheann Comhairle: The Deputy has exceeded his time. I now call on-----

Deputy Mattie McGrath: I accept that. I ask the Minister to pay up and look after the farmers.

An Leas-Cheann Comhairle: I now call on members of Fianna Fáil who have ten minutes between them. The first speaker is Deputy Dara Calleary.

Deputy Dara Calleary: I commend my party colleagues, Deputies Charlie McConalogue, Jackie Cahill and Margaret Murphy O'Mahony for pursuing this issue since last September. I will be brief because much of the argument has already been made.

We gathered before Christmas at the launch of a report on the potential of Irish whiskey tourism. The launch was a celebration of the growth in the number of small distilleries across the country but here we are, trying to defend the men and women who will be the foundation of that industry against the lack of willingness on the part of the Government to keep them in business and to compensate them for recent unprecedented climate change events.

The notion that the EU would block a payment of €4 million in compensation when there are ways of dealing with severe climatic events under European rules is absolutely bizarre. It is even more bizarre when the responsible EU Commissioner is actually one of our own. If we cannot convince our own EU Commissioner and if the Minister for Agriculture, Food and

the Marine cannot convince his own former party colleague of the need to do this then there is something seriously wrong in the Department.

This week the Government found €120 million to provide for badly needed pay increases for lower paid civil servants and we welcome that. The Government was able to find €120 million down the back of a couch but it cannot find €4 million to keep people in business and to keep families on their farms. A precedent was created by the fodder schemes and schemes for potato growers. Today, on 18 January 2017, I will quote from a statement made on 6 January 2010:

It is important that [the] Minister ... shows empathy and understanding at this time with growers who face the wipeout of their entire crop. It is estimated that as much as 75% of the 6,000 unharvested acres of the country's potato crops are already devastated, with the remaining 25% under increasing threat. The principle of the Minister intervening during adverse weather conditions has been established during the recent flooding crisis with the fodder scheme.

These were the words of the current Minister, Deputy Michael Creed. The then Minister for Agriculture, Food and the Marine, Deputy Brendan Smith, who was a very successful Minister, responded not just to Deputy Creed but also to farmers and to their needs. I ask the Minister to do the same.

An Leas-Cheann Comhairle: I ask Deputies to be conscious of the fact that their colleagues are waiting to contribute.

Deputy Kevin O’Keeffe: I welcome tillage farmers and their IFA representatives to the Gallery this evening. They are not here for a holiday but because of their concerns. In July 2015, the previous Government, through the then Minister for Agriculture, Food and the Marine, Deputy Simon Coveney, launched Food Wise 2025, the slogan for which was “Local Roots — Global Reach”. Chapter 5, section 3 deals with the whiskey and craft beer sector and its closing paragraph reads as follows: “The ability of the sector to develop new markets will remain a key challenge and the alcoholic beverage industry needs a strong base of dairy farmers and grain growers supplying inputs to both the brewing and distilling sectors”. Alas, however, it seems that the last place where these two agriculture sectors enjoy recognition or share centre stage is Agriculture House. The tillage sector seems to have been consigned to the back room. In the past 12 months the Government has ensured that should the dairy sector run into a long-term milk price collapse, funding by way of low-cost loans will be made available, which I welcome.

I commend my party’s agriculture spokesperson, Deputy Charlie McConalogue for tabling the private Member’s motion before the House this evening. It must be acknowledged that there is a grain price crisis in the tillage sector. I am not going to deal with this issue in depth but would acknowledge that the price is market driven. I want the Minister to address the difficulties of those farmers who have been faced with an additional loss of income over and above that caused by low grain prices. These are the farmers who had to replant crops or failed to harvest same. The Minister has a file on his desk, as had his predecessor, detailing representations on behalf of farmers in my area of Cork east seeking both consideration and payment. Tillage farmers in my area took a double hit. Winter crops sown near the coast were storm damaged in late 2015 and early 2016 due to the soft drift created by a sea mist. The affected farmers replanted the land with spring crops but as the Minister knows, they ended up having to

18 January 2017

salvage same in the autumn, with an additional loss in tonnage. To give an example, an average sized grain trailer which would normally carry over 12 tonnes of grain was going into the mills weighing less than ten tonnes.

I plead with the Minister to take action. He indicated during a topical issue debate on the tillage crisis with Deputy Charlie McConalogue last October that once all the figures were to hand, he would make a decision. The figures are now to hand the Department and officials should be able to devise a method of calculating compensation. What has been the Government's response to the motion before the House? It has tabled an amendment which seeks to kick the can further down the road. The Minister of State, Deputy Andrew Doyle attempted to gloss over the entire issue in his contribution.

This crisis is a welfare issue, not a populist one. In my area, it is as serious as the issues facing those who occupied Apollo House. Families are under severe income strain. How can any of these farmers, the majority of whom run family farms, seek funds from a lending agency when they cannot show any collateral from the previous year's trading?

An Leas-Cheann Comhairle: I thought there was an agreement that Deputies would share time.

Deputy Kevin O'Keeffe: Go raibh maith agat.

An Leas-Cheann Comhairle: I do not like to interrupt, but Deputy Margaret Murphy O'Mahony is next, with two and a half minutes.

Deputy Margaret Murphy O'Mahony: I am grateful for the opportunity to speak yet again on an issue that has adversely affected the tillage farmers in my constituency of Cork South West. Some of those farmers are in the House today. I welcome them and acknowledge their presence.

I am very proud of my party, Fianna Fáil, which has tabled this motion this evening and which always stands by the farmer. I would also like to acknowledge the great work done by my colleagues, Deputies Charlie McConalogue and Jackie Cahill in the field of agriculture, excuse the pun.

As the Minister knows, the price of tillage grain has not been good for some time. In west Cork, farmers also had to contend with salt being blown in from the sea which resulted in many crops having to be replanted. We also had an extremely wet autumn in 2016. I know the Minister is good at what he does but even I do not expect him to be able to control the weather. What I do expect from him, however, is an appropriate reaction to events that are outside everyone's control, such as the effects of bad weather on farmers' lives. I have had grown men and women in my office who were close to tears because of the loss of their tillage crops. I, along with my Fianna Fáil colleagues, have been highlighting tillage failure since the ploughing championships last September. The agriloan offered is not good enough. A loan is a loan and must be paid back.

The problems faced by tillage farmers have now escalated, and the providers of seeds and fertilisers seek to be paid for their products and rightly so. The Joint Committee on Agriculture, Food and the Marine, which is made up of members of all parties, including the Minister's, and Independent Deputies, recognised the need to compensate these farmers. I respectfully ask the Minister to take note of this. I also ask the Minister to open as soon as possible the TAMS

investment tillage scheme, which the Government committed to commence in autumn 2016. I acknowledge the Minister of State, Deputy Doyle, spoke about it earlier and said it would open shortly. I ask the Government to please keep its word on it this time.

A precedent was set by my party, Fianna Fáil, when in 2010 under the then Minister, Deputy Brendan Smith, we established an aid scheme for potato and vegetable crops damaged in the severe frost of that year. There was an €86 million underspend in the budget of the Department of Agriculture, Food and the Marine in 2016 and there was also an underspend arising from the rural development schemes. In view of this underspend surely there must be money at the Minister's disposal to help these farmers. I ask the Minister, Deputy Creed, to please compensate the affected tillage farmers in my constituency of Cork South West. Please give them the chance to stay afloat and stay in business, and please end the tremendous pressure they and their families are enduring.

Minister for Agriculture, Food and the Marine (Deputy Michael Creed): I thank Deputy McConalogue for tabling the motion, and I welcome all of the contributions which have been informative and well deliberated upon. I also acknowledge the people in the Gallery who have an interest in this matter.

It is welcome we have an opportunity such as this to debate a particular sector in the agricultural economy which does not very often get the attention in this Chamber it deserves. I acknowledge this is an issue which a number of colleagues in all parties and none have raised since the back end of last year. I wish to take up a point made by a previous speaker, who alleged that governments live in a bubble, notwithstanding the fact his party is in government in another jurisdiction. I have been on the ground on this issue, and I acknowledge the particular difficulties for harvest associated with the weather at the back end of 2016. I was in the north west in Deputy McConalogue's constituency and met farmers' organisations there. I received an interesting presentation from the chairman of Leitrim IFA on Met Éireann's data for the relevant months of the harvest in that neck of the woods. It is a common thread down the west coast in particular.

It is important in this debate that we focus on the specifics of the sector particularly adversely hit by the weather and that we have a debate on the broader tillage sector. I firmly believe it is a sector that faces significant structural challenges and there is no silver bullet to address all of them. It requires the collective wisdom of us as elected representatives, the officials in the Department and all of the stakeholders. It is a critical component of our agricultural economy, which underpins many other aspects of it, particularly in the provision of ruminant feed. At present, we import more than two thirds of our ruminant feed and there is potential in this regard. Reference was made by Deputy Calleary to distilling. Not so many years ago we had four distilleries in the country. We are now heading for 20 distilleries and almost 100 microbreweries. The marketing and branding of all of these as Irish whiskeys or beers is contingent on a fundamentally economically sound tillage sector. This is something to which I am committed.

I do not question the bona fides of anybody else who has spoken in this regard. I met the stakeholders in the tillage industry on 5 October, and I gave a commitment to the farming organisations in the middle of the harvest. I stated we would wait until we had a bigger picture on the immediate crisis with regard to weather-related issues and that we also needed to consider other issues associated with the sector. I have a habit of keeping notes of my meetings. I was looking at the scale of the contributions from farming organisations and others. To nail the unfortunate lie that the Government has done nothing in respect of the tillage sector it is important

18 January 2017

to reflect on what contributions were made, what was sought and what has been delivered. This is not to state there are not other things that need to be further considered, and in the context of the Government's amendment we are open to doing this. Without naming any of the participants, I picked out six separate contributions on access to low-cost working finance. One of the most critical voices that left a lasting impression on me was one of the merchants present at the meeting in the Department, who stated 80% of the crop was being planted on merchant credit. This was in advance of the budget, when we were considering the most appropriate measures to take with relatively scarce financial resources.

I appreciate that perhaps for political reasons speaker after speaker here has knocked the loan product, but one speaker who knocked it went on to say the industry was built on borrowings for sprays, seeds and agricultural contractors, and it is because of this the loan product, which is not the silver bullet for all of these, will be of benefit because it is possible to substitute higher interest overdraft facilities and higher interest merchant credit with this facility. I confirm it will be launched, as we committed, and will be available by the end of this month.

Among other issues raised, one where we have followed through on what we heard at the tillage forum and delivered is putting €14 million of Exchequer funding into the loan product. I appreciate this may not be always necessary and in so doing we extended it. We had €11 million from Europe and put €14 million of Exchequer funding with it, and in so doing we extended it under *de minimis* state aid rules to be available to the tillage sector. To state we have not put Exchequer funding into the tillage sector is not accurate. More may be needed.

Another issue raised is the tillage TAMS, and this will be launched, as my colleague the Minister of State, Deputy Doyle, stated, in a couple of weeks. I appreciate this in itself is not the answer to everything but it is one of the asks. The other ask was knowledge transfer, and this is now available for the tillage sector. The question of a compensation fund was raised at the meeting, and I acknowledge this. In our amendment to the motion we have committed to engaging further through the tillage forum with the stakeholders to explore how a scheme in this context might be devised and constructed. It is interesting to hear the range of contributions, because some speak about 250 participants, some speak about 350 participants and some speak about 400 participants. In a roundtable discussion with stakeholders we need to scope out about whom we are speaking and what the terms and conditions would be before we rush headlong into establishing a scheme. In fairness to my colleague, Deputy Jim Daly, who has bent my ears on several occasions, his analogy is not lost in the context of stating if we have a poorly devised scheme-----

Deputy Martin Ferris: It was a disgraceful comment.

Deputy Michael Creed: We will have to make sure it is focused and targeted, and in this sense the analogy was not inappropriate. As I stated, in the amendment we are committed to dealing with the other issues that remain outstanding, and there are many of them, and much work is under way with regard to support for branding Irish ruminant feed. This is an initiative of the farming organisations and I was involved in ensuring we can underpin the expanding microbrewery and distillery sector. This is something to which I am committed to exploring. I want to nail as a blatant untruth the idea that I would not support an initiative by others at European Union level to deliver aid for the Irish tillage sector. No matter how often Deputies Ferris or Fitzmaurice repeat the assertion, it is simply untrue.

Deputy Michael Fitzmaurice: That is what Europe said.

Deputy Michael Creed: At the most recent Agriculture and Fisheries Council I was the only person from among the 28 member states who raised the plight of the tillage sector. The unfortunate reality is that we are 1% of European tillage production. The major players in the tillage sector include the French. I have spoken with the French Senate in Agriculture House, whose members are representative of rural constituencies, and it is not an issue that is resonating there. Without the support of the French, the Poles, the Hungarians and the Romanians on a tillage issue, it is extremely difficult to make progress.

Deputy Mattie McGrath: I thought we were partners.

Deputy Michael Creed: In the opposite case, when members who have an interest in the dairy sector - the overwhelming majority - make a case politically, the Commission sits up. We want to explore the latitude that is available to us under state aid rules *de minimis*. I acknowledge that a precedent was set by Deputy Brendan Smith and I will not go down the road of what other things he did but he did the right thing in this case. We have put in place a loan scheme and it will be of benefit to the sector. We will launch TAMS. The loan scheme will be launched before the end of the month and we have done knowledge transfer. An issue was raised about a compensation fund and our motion specifically opens the door for further dialogue on that matter.

(Interruptions).

Deputy Michael Creed: I do not question the bona fides of anybody who has spoken on this but nobody has a monopoly on it. As Deputy Calleary reminded me, I have been over there and I acknowledge that it is the job of Opposition to raise the issue but I have to grapple with the complexities of how we do it. I am anxious to do it in the best possible way, that delivers to those who are most adversely affected. That is why the door is open, with the stakeholders' forum, to progress the matter.

Deputy Anne Rabbitte: I thank all those who have travelled from Donegal, Kerry and Cork this evening to sit in this Chamber and watch the proceedings. The Minister said he had to represent people and to listen to the most vulnerable. I say to him, "Listen to the most vulnerable - they are sitting here". There are between 250 and 350 affected farms and if the Minister wants to listen to the most vulnerable, we should ask them if they want a loan or compensation. The people who have come before us cannot afford to go before a financial institution. It is four years since they had reasonable accounts and they do not have repayment capacity at this moment in time. This is because they have no crop, they yielded nothing and have nothing to sell and this means they cannot put anything down on a sheet of paper. I know what I am talking about as I am a financial adviser and I sat in front of farmers for 20-odd years when they came in to look for term loans for stock. The first thing one looked for was repayment capacity and Deputy Fitzmaurice is right that there are no sales. Nothing came in that envelope and the farmers sitting in our Gallery this evening have nothing to show. In recent years they have been down on the value of their grain or their crop was weather hampered.

We are asking the Minister to support the tillage sector in the same way he asked our colleague to support the potato and vegetable industry. We ask him to come behind us and support the motion but his counter-motion rubbishes ours and rubbishes the fact that farmers cannot step up to the mark. The Minister, his party and the handful of Independents who support them have decided to weed out the tillage sector in this country and to reduce it. The Minister, the Government and the Independents do not have the right to do that. We are looking for €4 mil-

lion in compensation this evening.

Deputy Éamon Ó Cuív: Farmers lost money. It is a small number and it is easily identified. The Minister knows, from his area maps, exactly which people sold crops. It is easy to identify how much money these farmers have lost from their sales figures. We have become so careful that, when 300 people have a problem and a small number get money without which they could not survive, we worry more about the few who might not absolutely need it. One cannot over-refine schemes. Giving loans to people who already have that problem is no good. It is no solution because telling people to invest even more money means they will have to put up matching capital but they do not have the money.

I accept that it might be hard to persuade EU colleagues because the EU is a broad church and the weather conditions were different so doing it under the *de minimis* rules is probably the way to go. Some €86 million was unspent in the Department last year and when the dairy farmers had difficulty the State came up with €17 million. All we are looking for is €4 million. It is three months too late but, as they say in Irish, is fearr go déireanach ná go brách.

Deputy Lisa Chambers: The purpose of today's motion, and the huge protest outside, is to call on the Minister to take action. If he looks up, he will see the Gallery is full so this is not just a Fianna Fáil issue - it is a national movement asking the Minister to take action to help farmers who are seriously in need because of the bad weather last year. These farmers did everything within their power to mitigate their losses. They tried to salvage everything they could and now they are coming to the Minister because it is the last resort. There are precedents for this so the idea that it would be opening a can of worms, and might go further than it should, will not wash. The precedent allows the Minister to take action now.

Yesterday, the Minister for Public Expenditure and Reform, Deputy Paschal Donohoe, managed to find €120 million in extra spending capacity for this year that had not been there originally but these farmers are looking for €4 million. One wonders whether the Minister could not find another couch to dip his hand behind for an extra €4 million for people who need it. There are additional moneys because there has been an underspend and the Minister himself made a similar plea a number of years ago when there was crop damage due to bad weather.

The Minister says farmers in this Gallery and across the country should go and ask for credit and that this would be a solution to the problem but it would not. These farmers are already struggling to make ends meet with low prices and very tight margins. As the Minister accepts the huge support for this motion across the House, and for the idea that the State should step in and help farmers in need, I ask him to do the right thing. It is within his gift and his choice. If he chooses not to do it, on his head be it.

Deputy Charlie McConalogue: I thank everyone who contributed here tonight and for the widespread support across the Chamber. I also want to acknowledge the role played by my colleagues, Deputy Cahill, and Senator Paul Daly working alongside me on the agriculture committee. Senator Daly has also pushed this issue in the Seanad. I particularly want to acknowledge the effort made by the farmers who came here today and are in the Visitors Gallery. They are putting pressure on in order to get the support they need and have genuinely requested.

In his response, I detected a softening of the Minister's stance. It is unfortunate that we have had to push the matter this far. It is also unfortunate that we have not had a fund until now. Farmers, including those here today, who have been affected by the bad harvest have had

to face bills sitting on their table. Many of them are considering their financial situation and their ability to remain in the tillage sector. The Minister appeared to say that he is willing to go to the Tillage Forum to consider how a scheme might work. That is what I picked up from his response, but I hope he was not giving some false hope. The matter should not be allowed to drop.

I have no doubt that the motion before us will be passed overwhelmingly. It urges the Government to engage further with the IFA, other farming organisations and with the Tillage Forum to scope out how a fund could be put in place to provide the necessary assistance for those who have lost their crops. I will leave it to the Minister to do that.

Considering the strong support in the Dáil, the fact that our motion will be overwhelmingly supported, and in light of the Minister opening the door to explore this further, I ask him to withdraw the Government amendment. He should not force this to a vote, but take the matter forward by engaging with and genuinely exploring the plight of those who have been significantly affected by a poor harvest.

I endorse the motion and thank everyone for their support. I encourage the Minister to deliver a compensation fund scheme.

Amendment put.

An Leas-Cheann Comhairle: In accordance with Standing Order 70(2), the division is postponed until the weekly division time on Thursday, 19 January 2017.

Communications Regulation (Postal Services) (Amendment) Bill 2016: Order for Second Stage

Bill entitled an Act to provide for the repeal of section 30 of the Communications Regulations (Postal Services) Act 2011; to amend the Communications Regulation Act 2002 to confer additional functions on the Commission for Communications Regulation relating to the repeal of section 30; and to provide for related matters.

Minister of State at the Department of Communications, Climate Action and Environment (Deputy Seán Kyne): I move: “That Second Stage be taken now.”

Question put and agreed to.

Communications Regulation (Postal Services) (Amendment) Bill 2016: Second Stage

Minister of State at the Department of Communications, Climate Action and Environment (Deputy Seán Kyne): I move: “That the Bill be now read a Second Time.”

I am pleased to have the opportunity to present this Bill for the consideration of the House. First, however, I want to extend apologies on behalf of the Minister, Deputy Naughten, who unfortunately has been unable to attend the House today. I would like to wish him a speedy recovery following his cycling accident over the Christmas period.

This Bill is a relatively short legislative proposal, the purpose of which is to repeal section

18 January 2017

30 of the Communications Regulation (Postal Services) Act 2011, which sets out the mechanism for regulating postal pricing within the universal service using a price cap mechanism.

The mails business is undergoing a profound structural change both here and internationally. Electronic substitution has had a significant impact on the letters business, while also providing opportunities for growth in parcels. This development is particularly apparent in terms of large volume postal customers such as banks and utility providers.

The trend, which has been evident for some years, accelerated in 2016 with An Post recording a doubling year-on-year volume decline, resulting in a serious financial impact for the company. In addition, the impact of a 2.5% Labour Court pay recommendation has added further pressure to an already delicate financial situation. Each 1% decline in mail volume equates to a loss of revenue for An Post of €4 million and a 1% increase in pay adds €4.5 million to payroll.

The mails business still generates almost two thirds of An Post's revenue and represents 78% of company payroll. That explains why the volume decline and Labour Court award has had such an impact on the company's financial base.

Deputy Sean Sherlock: Gabh mo leithscéal, a Leas-Cheann Comhairle. Is the Minister of State distributing copies of his speech?

An Leas-Cheann Comhairle: I have just asked for them.

Deputy Sean Sherlock: Thank you very much.

Deputy Seán Kyne: As I mentioned, internationally the mail and post offices businesses are experiencing long-term structural challenges and this is not just an issue solely related to An Post. One of the main elements of the postal service in Ireland is the daily delivery of post to every address in the State. The Government is extremely cognisant of the value placed on this service by communities in both rural and urban areas, and recognises the importance of ensuring that An Post has the capacity to continue to fulfil its obligations in this regard.

7 o'clock

Clearly, the company is entering a period of significant change to cope with the rapidly changing environment in which it operates. In this regard, it has started a fundamental review to identify the strategic changes and restructuring necessary to maintain it on a sound financial footing. The Government supports this review fully and an outcome to it is expected early in the second quarter of 2017.

The Government accepts that the company requires some financial headroom to implement the findings of the review while continuing to deliver on its universal service obligations. In consequence, the Government has agreed to introduce this Bill as a matter of priority to repeal the price cap mechanism. This is the most viable option to support An Post in the short term while a restructuring plan is being implemented. This is not a decision which was taken lightly. NewERA has conducted an in-depth review of the company in recent months on behalf of the shareholding Ministers and has confirmed the seriousness of the situation it faces. In addition, the Minister, Deputy Naughten, met with the chairman and CEO of An Post, ComReg and representatives of the Communication Workers Union to discuss the matter in detail. Having considered all matters, the Minister acted swiftly in taking appropriate action.

The impact of the legislation will involve a substantial increase in the price of the stamp.

As it stands, Ireland falls well below the European average in terms of stamp prices and it is expected that proposed increases will bring the price in line with European norms. Cognisant of the impact such a measure might have on consumers and the SME sector, the Bill also provides that the Commission for Communications Regulation, ComReg, will undertake a review of the consequences of the repeal of the price cap mechanism after a two-year period. ComReg will report to the Minister on its findings within six months. The Bill also enables ComReg to undertake such consultation as it considers appropriate in carrying out this review. In addition, the Minister will issue a policy direction to An Post instructing it that the price increases introduced following the repeal of the price cap mechanism must be subject to prior consultation with the ComReg and have due regard to the tariff principles set out in section 28 of the Communications Regulation (Postal Services) Act 2011. These principles must be complied within the provision of a universal postal service and include the following requirements: prices must be affordable and such that all users can avail of services provided; prices must be cost oriented; and tariffs must be transparent and non-discriminatory. Under the 2011 Act, ComReg has a role in ensuring compliance with the tariff principles outlined in section 28.

Consideration must also be given to the impact on personal customers and the SME sector. It is important to remember that An Post provides a high quality mail service to Irish business and personal customers across the country. The mail network undertakes the delivery of 2.5 million mail items every working day to 2.1 million homes and businesses. It includes 7,620 collection, processing and delivery staff, 160 local delivery units, and four national mail centres. The company has a number of strengths such as its brand and nationwide reach. Significant work has been done by Mr. Bobby Kerr on the post office network which has resulted in a number of recommendations around network renewal. It is expected that these will be considered in the context of the strategic review of the company. An Post is also a significant employer with over 9,000 staff. Payroll costs amount to €40 million per month which also includes payments to postmasters who run the bulk of the post office network. Despite the difficult financial situation, I want it to be clear that there is no threat to the mails delivery or the universal service obligation. An Post will continue to deliver post to every address every working day, which is an EU requirement. The amended approach to pricing aims to ensure that An Post can continue to fulfil this obligation.

I will now outline the main provisions of the Bill. For the convenience of the House, a detailed explanatory memorandum has been published and this provides a synopsis of the provisions. The Bill is relatively short and consists of three sections. Section 1 provides for the repeal of section 30 of the Communications Regulation (Postal Services) Act 2011, which provides for the price cap mechanism. The section also provides that any price cap decision within the meaning of section 30 will cease to have effect. Section 2 provides for an amendment to section 10 of the Communications Regulation Act 2002 to enable ComReg to carry out a review of the consequences of the repeal of the price cap mechanism in section 30 of the Communications Regulation (Postal Services) Act 2011. In this regard, the functions of ComReg, as set out in section 10 of the Communications Regulation Act 2002, as amended, are amended to enable it to undertake this review. This review is to commence two years after the coming into operation of the Communications Regulation (Postal Services) (Amendment) Bill 2016. ComReg will report to the Minister on its findings within six months of the commencement of the review and the Minister will lay the report prepared by ComReg before each of the House of the Oireachtas as soon as practicable. In addition, provision is made to enable ComReg to undertake such consultation as it considers appropriate in carrying out the review. Section 3 contains general provisions relating to the Short Title, commencement, collective citation and

construction.

It would be prudent to have legislation in place to give An Post pricing freedom by the end of the first quarter of 2017. As it stands, An Post must give one month's notice of its intention to increase prices. As such, there will be a delay before a price increase can take effect even after the commencement of the legislation. In light of the seriousness of the situation facing An Post, it is important that mechanisms are in place to facilitate the introduction of price increases at the earliest possible time. I look forward to hearing the views of the House on the Bill, to a constructive Committee Stage debate and to the assistance of Members in facilitating its early passage into law.

Deputy Timmy Dooley: Fianna Fáil will support this vital Bill which offers a valuable lifeline to our post office network. There will be another opportunity to address the difficulties faced by the post office network such as the one we had yesterday evening at the joint committee where we met all the stakeholders.

With 1,130 post offices around the country, An Post is Ireland's largest retail network and one with considerable reach into some of Ireland's most underserved communities. It is one of our most vital assets, particularly in rural areas where post offices have long since served as informal community centres and hubs of administration. Post offices are where we go not only to send post or to pick up our pensions, but to catch up with neighbours and to hear the local gossip. For many people living in rural Ireland, the post office is one of the few places where they can still go to socialise and meet other people. Post offices offer a particular sense of security and a feeling of not having been forgotten, something which is especially important as we see more and more rural Garda stations, pubs, and community centres being forced to close their doors.

Unfortunately, most of us are familiar with the difficulties experienced by the An Post network, particularly in recent years, as we have seen the population shift from rural to urban areas. The advent of digital technology combined with this Government's neglect of the network has left many branches struggling to make ends meet. Between 2011 and 2014, there were 24 net closures and, indeed, since 2014, a further 16 offices have closed. This means that in just five years, approximately 3.5% of our post offices have had to close their doors. I have met many of these postmasters and postmistresses who, despite every effort to the contrary, have been forced to close the doors of their post offices. For these people and the people that they have spent decades serving, the decision to close a post office cannot be taken lightly or ignored. It is devastating and has caused a lot of anxiety for people around the country who are running and relying upon post offices in their various guises. As such, we are all in agreement that something must be done to save our post office network.

In its programme for partnership Government, the Government pledged to act swiftly on the recommendations of the post office business development group and to take a number of immediate actions to ensure the sustainability of the An Post network. These recommendations were very much welcomed when they were announced. Fianna Fáil has been persistent and explicit in its calls on the Government to meet these promises and in this regard we have not been alone. The wider An Post network, the Irish Postmasters' Union, and several other organisations have joined us in demanding that the Government take meaningful action to preserve the post office network. Over eight months after the Government entered office, we are still awaiting action on the post office network. In this regard, I welcome the Bill being brought before the House as it is the first real action we have seen on the issue in a long time.

We cannot allow the Government to rest on its laurels should the Bill be successful as the support the Bill can offer to An Post is insufficient. As it stands, mail delivery services represent a limited and ever-dwindling portion of An Post's business. This is due to an increasing number of companies and bodies using means other than the postal delivery service to get information and bills to consumers and an increase in the use of electronic means of communication.

An increase in stamp price can be expected to accelerate this process. Clearly, the law of diminishing returns will apply. I am not entirely convinced of the numbers I have seen. The diminishing return will be greatly exacerbated as a result of this necessary decision.

We have reached a point where the unsustainability of the An Post business model has been widely acknowledged, not least by the Bobby Kerr report commissioned by the Government. The report, which estimated that up to 500 more post offices can be expected to close unless we take decisive action, outlined a number of measures that could be used to diversify An Post's business model and to provide for its continued survival. The Bobby Kerr report offers 23 recommendations that will facilitate the expansion and diversification of the post office network and ensure its long-term financial viability.

We debated the report in the House about a year ago, so I will not delve too far into its details. However, I will restate that it was a strong and positive report. It offered real and specific solutions to the issues faced by the post office network and paved the way for us to move forward. This is all that a report can do. It cannot change legislation to allow An Post to change, nor can it work with shareholders to implement some of the reforms it recommends. That is up to those who sit in this Chamber, in particular those on the other side of the House who commissioned the report.

Almost a year after the publication of the report, we are awaiting the implementation of its proposals. Anyone with a rudimentary business knowledge knows that when faced with diminishing profitability, one must act as early as possible to minimise losses. Running up additional losses will not help us to make the network more sustainable and financially viable in the future.

It is of deep concern to Fianna Fáil that the Government has yet to recognise this point. We have offered it numerous ideas on how the post office network might be best supported and preserved, yet it continues to rest on its laurels, apparently unconcerned, but the heart of our villages and towns is under grave threat.

We welcome the move to remove the price cap that is currently enforced on stamps. Ireland's stamp prices are currently about 21 cent below the European average of 93 cent, so it is no surprise that the post office network has been struggling to deliver a mail delivery service without experiencing significant difficulties. Throughout its mail network, An Post delivers 2.5 million items every day to 2.1 million homes and businesses. To do this, it employs 7,620 collection and delivery staff, who operate out of 1,130 post offices around the country. This is a very serious operation, and while I understand that An Post has been working hard to reduce losses in this area, it is necessary to raise stamp prices in order to ensure the future sustainability of the An Post delivery service.

This being said, a 10 cent or 20 cent rise in stamp prices is not a silver bullet for the An Post network. Over the past decade, mail delivery has been an increasingly small share of An Post's overall revenue. Since the peak of mail in 2007, we have seen a 38% decline in mail delivery, and my understanding is that this trend is set to continue as businesses and personal

18 January 2017

customers find new means of communicating and doing business. For better or worse, we cannot reverse the tide on this and it is up to us to work with An Post to find new and innovative means to adapt to these changes in communications technology. Indeed, with specific regard to a potential price increase, we need to be highly conscious of how a price rise will impact on existing customers, from small to medium enterprises who may find other means of contacting their customers to rural customers who have fewer options.

In this sense, I welcome the provision in the Bill for a review to be conducted in advance of any price change to allow us to assess the potential impact of any change. It is important, however, that this is not used as a self-preservation mechanism for the current government, and allowed to stretch on for months without any real action being taken. We have seen this with regard to other working groups and reviews in the context of An Post's reforms, and we cannot let it happen once again.

Unfortunately, the Government's disregard for the post office network goes beyond inaction. It has also threatened actions that would have a seriously detrimental effect on An Post. For example, in 2014, at a time when the post office network was facing increasing challenges, the Department of Social Protection was actively encouraging people in receipt of welfare payments to use electronic and bank-based systems to receive their payments. Given that social welfare payments make up about 30% of An Post's revenue, it does not take much to recognise that redirecting these payments towards the bank system could have caused hundreds of post offices to fold.

As such, while the Government was preaching its support for the Irish post office network, it was simultaneously making rapid and serious moves to undermine a key source of revenue for the network. This is a practice which continued right up until late 2016, when the Government finally performed a U-turn on this policy, partly in response to Fianna Fáil's consistent lobbying on the issue. Even now, the Government has yet to fully secure An Post's future with the Department of Social Protection by refusing to offer An Post a long-term contract to deliver cash social welfare payments. This contract represents a considerable portion of An Post's overall business; in 2015, it was worth approximately €54 million and allowed over 38 million social welfare payments to be made.

We know that An Post exceeds the requirements of its contract with the Department of Social Protection in terms of its geographic reach, and that the post office network is capable of delivering this service. Instead of recognising this and extending some minimum security to An Post, the Government has decided to renew its contract with An Post on a yearly basis. We are awaiting its decision for the coming year. This is no way to support our post office network. Why is the Government insisting on keeping such an important and efficient service in the lurch? These are the types of contradictions that are prevalent in the Government's approach to the An Post network, such that we are left wondering how real is its commitment to the post office network.

As I have emphasised, in order to ensure the long-term viability of the An Post network we will need more than a continuation of existing services. To survive in the dynamic and ever-changing marketplace, An Post will need to be enabled to change, grow and adapt to new consumer demands. With this in mind, Fianna Fáil has brought forward a number of promising proposals which build upon An Post's excellent reputation and strong base around the country.

There is no reason that the An Post network could not deliver more State services to the

people of Ireland. Given that it has a strong presence in Irish villages, towns and cities, An Post's network of post offices is uniquely poised to become hubs for all State payments and charges and for other types of services, such as local access to State services. This would be of huge benefit to our post offices and the communities they serve. Not only would it make it more convenient to make these payments, but it would increase footfall in post offices and create an additional source of revenue for the post office network.

We share this view with the Grant Thornton report, which underscored the benefits associated with this measure. Across the five potential integration options that the report analysed, such as allowing customers to make hospital payments and household charges through the post office network, a positive cost-benefit ratio was observed. In short, there are significant benefits to be accrued by adopting such an approach for more than just the post offices. This proposal could work very well with a further measure to allow post offices to become multi-purpose locations that offer a range of Government services. For example, the closure of rural Garda stations is of serious concern to rural residents, and we should be exploring avenues for multiple State services to share the same space. The current Government has dragged its heels on this proposal. Furthermore, the viability of the An Post network could be greatly enhanced by the expansion of financial services available in post offices. Currently, Allied Irish Banks, Ulster Bank and Danske Bank allow their customers to make lodgements, credit card payments and withdrawals at the post office network. This is greatly welcomed by our party, particularly because it comes at a time when many banks are closing their branches in rural Ireland due to the relatively high overheads.

Excluding large swathes of our population from banking services is simply not acceptable, and allowing An Post to expand its current financial services and to engage with all banks active in Ireland would go a long way toward counteracting this negative trend. Fianna Fáil has been very exercised in our requests for this and the previous Government to examine these proposals in detail and to consider their implementation.

Time and time again, the Minister for Communications, Climate Action and Environment, Deputy Denis Naughten, the Minister for Arts, Heritage, Regional, Rural and Gaeltacht Affairs, Deputy Heather Humphreys, the Minister of State, Deputy Michael Ring, and their predecessors have spoken in the House to reassure us that this process is under way. We have been repeatedly told that these issues, and many more, are being considered by the post office network renewal implementation group. The Minister of State, Deputy Ring, informed the House last November that the group would be publishing its recommendations in December of last year. This has yet to transpire.

Similarly, a Minister has highlighted the establishment of a post office hub working group to examine the possibility of post offices becoming community hubs. We have yet to hear back from this working group. While we understand that the need to examine these issues carefully, there is no need for the substantial delays we have seen to date. The news from the reports and various interest groups that we have spoken to is clear. There are solid options for the post office network to diversify its business model and to move to a more sustainable footing. Our post offices are ready to make the changes necessary to ensure their survival. Communities around the country are depending on us to make sure that it is allowed to do so and is supported in doing so, yet the Government is still dragging its heels and making it ever more difficult to take the type of action we need to save the post office network. It is nothing short of abhorrent.

To sum it up, while I heartily welcome this first sign of progress on the issue, I ask all Mem-

18 January 2017

bers of the House to avoid complacency. Further action is needed to preserve our post office network and ensure its survival, particularly in rural communities. Fianna Fáil will not stand by as one of the few remaining community centres in many areas is placed under unbearable financial stress. We will not ignore the concerns of postmasters and rural residents who feel completely abandoned by the policies and actions of the Government. Instead, we will be consistently searching for new and more comprehensive solutions to the issue of financial losses and we will co-operate with all interest groups to help post offices put these solutions into effect. I hope that we will be joined in addressing this issue by all who sit in the Chamber today.

The Minister will be aware that yesterday evening the Joint Oireachtas Committee on Communications, Climate Action and Environment had what I can only describe as a very open and frank discussion with all the stakeholders. I was impressed by the presentation of the chief executive of An Post, Mr. David McRedmond. He has a clear vision on how to turn around An Post as a company. That he has undertaken a period of consultation and the preparation of a report with the assistance of McKinsey and Company is a welcome development. That he has set a timeframe for the publication of the report by the end of the second quarter of this year is also welcome. He is putting in place the kind of timelines that, unfortunately, the Government has not put in place in respect of the issue. He indicated to the committee that the output from the exercise will be a series of decisions that will have to be taken by the board of the company. If anything emanates from it that requires policy change or legislation, that responsibility will lie with the Government. It is clear that he has a focused approach and that we are now on a path towards a series of decisions that need to be taken to put An Post on a firm financial footing.

Given McKinsey and Company's experience of working with other postal companies around the world, I hope that there will be a recognition of the opportunities as well as the constraints in the market. There is an awful lot of talk about the diminishing and dwindling postal service because of the way in which we now communicate, which is by electronic means. However, with the advent of electronic communication and the way in which retail activity has changed, an awful lot more of our citizens are purchasing goods, in particular, and services over the Internet. This has created an increased demand on the parcel side of the postal business. Unfortunately, An Post has been tardy in recognising the potential benefit and some of the commercial operators have stolen a march on it. My impression from Mr. McRedmond is that An Post sees the opportunity. Given its strong presence and significant infrastructure and architecture throughout the country, I would hope that it would be in a strong position to grab hold of that business and to make it a meaningful input into the viability and preservation of the company and ensuring the future viability of the post office network.

I have very real concerns but, given the financial position presented by the Minister, we feel we have no choice but to support the price increase to ensure the financial viability of the company in the period before the McKinsey report and the decisions that will flow from it to put the company on a firm footing can be put in place. It is to some extent with a heavy heart that we support a price recognition. We recognise that there is an impact on small to medium-sized enterprises when the price of the stamp is increased. It will be just a matter of switching to electronic communication for larger companies that have great enough volumes and they will probably save money in the long run. However, this will place a burden on those small to medium-sized companies that are caught in the middle. They do not have the capital to invest in electronic communication means and will have to pay the additional postal charges. This will place a burden on them and it more difficult for them to survive.

In taking this action and supporting the legislation, we recognise the positive impact it can

have on An Post, the post office network and those who are employed in the provision of the service, but by no means is it a recognition that this is the way forward or the solution to An Post's problems. We need to see a reorientation and reconfiguration of the business that is based around the vision for the future and how the company will position itself having recognised the trends. It cannot be a head in the sand approach. It cannot be just a case of saying this is the solution, away we go and more of the same. We cannot do that because it would not be sustainable in the long term. That is our position. We support the removal of the cap and are happy to do so in light of the circumstances but recognise that the ultimate solution needs to flow from the McKinsey report, the efforts of Mr. McRedmond and his management team and the board of An Post. I would hazard a guess that the Fianna Fáil Party will not be found wanting in supporting the kind of change that is necessary to put the company on a viable footing. It is then over to the Government to drive that change when the report is published.

Deputy Brian Stanley: The post office and postal services are highly valued by the public and people trust the service. The universal service obligation, which delivers 94% of all domestic mail the next day, is unrivalled in Europe. It is a fantastic service. However, the fall in business in the postal services and in post offices generally has put the future of this service at great risk. To maintain the service, we must work to ensure that people have good reason to use the postal services, visit post offices and do business there. The problem with the Bill is not just the price increase. Sinn Féin sees that action has to be taken, but the defects in An Post were highlighted as far back as 2002 and 2003. That point was reinforced in our discussions at the committee yesterday. However, there is no point in going backwards. We know that action should have been taken through the noughties, but it was not, so we must take it now.

There is a problem with just repealing section 30 of the 2011 Act and removing the cap ComReg can currently impose. ComReg can set a range and I understand the current range is 60 cent to 75 cent. Removing this power is a negative move. We believe that there should be freedom to increase charges but ComReg needs to play a role. The Bill removes ComReg's role, which is counterproductive and will push more customers away. This is particularly the case given the price increase that has been mentioned. The Bill does not simply raise the price cap but gets rid of it completely. We need to be careful because it removes the checks and balances currently in place in this important public service.

Significantly increasing the price of postage before the development of an enhanced An Post service will jeopardise the viability of the company further. By lifting the cap on postal pricing, we are told that it is expected that the increase in the cost will be in the range of 12% to 38%. It is a certainty that an increase at the higher end of the scale will dissuade people from using the postal service. The Bill may temporarily help to tackle the financial challenges faced by An Post but people will vote with their feet in the medium to longer term. The General Secretary of the Irish Postmasters' Union has expressed concerns that the price increase will reduce the volume of business and threaten the postal service. Age Action, whose representatives also attended yesterday's committee meeting, also raised serious concerns about the intention to repeal the price cap and remove the ability of the Commission for Communications Regulation, ComReg, to impose a price cap, citing the effects of previous price increases. The organisation argues that the increase will affect older people disproportionately as they are more likely to use postal services. It noted that only 3% of those aged over 75 years used electronic mail. The repeal of the pricing cap also represents a weakening of the power of the regulator. ComReg's role will become one of a spectator or commentator at best.

The postal service industry in Ireland had a turnover in 2015 of approximately €540 million.

18 January 2017

An Post's losses in the same year amounted to €25 million, the bulk of which, as we learned yesterday, can be attributed to international mail delivery and the registered mail service. An Post receives only 44 cents per standard letter item for international mail. Domestically, however, postal services are almost breaking even.

The consulting group, McKinsey, has been hired to conduct a strategic review and advise An Post on the future of the business. It is surely premature, therefore, to implement price hikes. While Sinn Féin accepts it is necessary to take action, it is wrong to remove the role of the regulator and its ability to impose a cap on prices before the McKinsey report has been published. I understand the report is due in April or early May.

Although An Post and the broader postal service network in Ireland are separate entities, they cannot be viewed in isolation from one another. The post office network must be considered in any examination of postal services. The financial health of the postal network and the well-being of the corporate structure of An Post are related. Sinn Féin supports the expansion of the services provided by the post office network. Giving post offices the ability to sell insurance, process motor tax, offer single payment accounts, provide banking services and process the payment of bills to local authorities are positive moves which Sinn Féin supports. We support most of the recommendations of the Kerr report and want them to be implemented speedily. As I stated, these issues have been discussed for years. The initial Kerr report was produced 12 months ago and a supplementary report has been produced in the meantime. It is time to act on them.

It is crucial that the Government does not encourage business away from post offices by directing people to have welfare payments paid directly into bank accounts. There is broad agreement among An Post and other stakeholders on the key recommendations of the Kerr report. The success of the recent pilot scheme between post offices and credit unions demonstrates the scope for bringing additional financial services to the post office network. There is no reason for not rolling out this scheme across the entire network of 1,130 post offices.

The local post office is an essential component of the cluster of businesses needed in any small town or village. The post office network must be protected and the services provided must be enhanced. The removal of the local post office has detrimental knock-on effects on other small business in a small town or village. The Government must take action in this regard and ensure the position of the local post office is cemented before resorting to permitting price hikes.

Sinn Féin is committed to creating a vibrant post office network across the country. We want to protect the universal service obligation, ensure adequate funding for it and avoid potential threats to pay and conditions of staff who recently received a 2% increase. We want to ensure competition in the postal sector does not reduce quality of or access to service, retain An Post in public ownership and protect rural communities from further decline. While a price increase may be necessary, pushing through this Bill prior to the McKinsey report being completed and the Kerr report recommendations implemented is ill-considered and puts the cart before the horse.

The purpose of the Bill is not to permit price increases but to sideline the Commission for Communications Regulation. We complain a great deal about the inactivity of regulators. This legislation sidelines and removes a regulator from the pitch, which will result in ComReg becoming a spectator or, at best, a commentator. This is the wrong approach and Sinn Féin will

seek to amend the Bill.

Deputy Caoimhghín Ó Caoláin: I welcome the opportunity to speak to this Bill. As stated by my colleague, Deputy Stanley, Sinn Féin will not support its passage. While I recognise that measures are needed to address the falling volume of postal business and I am cognisant of the fact that the increase in the price of postage stamps was one of many recommendations of the recent Bobby Kerr report on the development of the post office network business, my party does not support this particular recommendation and is concerned that other positive recommendations in the report have not been reflected in the Bill.

This individual measure of raising postage costs for consumers, while failing to develop a broader range of services at post offices, will be counter-productive and push more customers away. The Bill does not simply raise the price cap but abolishes it in its entirety. In the context of liberalisation directives from the European Union on postal services, this measure will allow less well regulated delivery companies to move into the market which could further lower wages and take more of An Post's business. Furthermore, a significant increase in prices now, before the full benefit of developing an expanded An Post service, could jeopardise the viability of many post offices around the country. In my capacity as my party's spokesperson for older people, I am particularly concerned about the implications this would have on senior citizens as they are more likely than others to use mail services rather than electronic forms of communication and they have already been badly affected by post office closures the length and breadth of the country.

It appears too that the position could get even worse. In November, it was reported that 500 post offices could potentially face closure. Aside from the large number of people who could be left unemployed, this would be absolutely disastrous for rural communities and would galvanise the widespread belief that this Government has little interest in rural Ireland. The post office network and rural communities can only be safeguarded if there is the political will. To prevent a swath of closures, the Government must enable the post office network to expand its range of services to ensure its future viability. The Irish Postmasters Union, for example, has outlined its vision of a post office network that can provide State services and increased financial services, among other functions. These include Department of Social Protection services, driver licences and motor tax payments.

The Kerr report was published a year ago. It presented a number of recommendations to allow post offices to thrive by enabling their diversification into financial services, social enterprise and public service delivery. These are positive recommendations which we wholeheartedly support. I urge the Government to act on the implementation of the report as soon as possible. However, the recommendation contained in the Bill of an increase in the price of postage stamps is one that we cannot support for the reasons stated.

Deputy Carol Nolan: As my colleagues stated, Sinn Féin will not support the Bill. An increase in the price of postage stamps was one of many recommendations made in the recent report by Bobby Kerr on the development of the post office network business. However, the Kerr report makes a number of other positive recommendations which the Bill does not reflect or address. Sinn Féin will argue against the Bill because raising postage costs on consumers without first developing a broader range of services at post offices will be counter-productive and will not serve any purpose. Significantly increasing prices before the development of an expanded An Post service could have serious consequences for many post offices, particularly in rural communities.

18 January 2017

It is clear, even from the Bill, that the Government does not want to know about rural Ireland because rural Deputies find themselves again fighting for the survival of rural Ireland. The post office is an essential service. It is a basic but vital service. The Bill may temporarily help to tackle the financial challenges of An Post, but it is not a long-term solution. We need a long-term solution to protect the post office network and ensure the reopening of post offices in rural towns that were unfairly closed, thereby depriving people of vital services. An example of this is the closure of the post office in Killeigh, County Offaly following the retirement of the postmaster. I am calling for the reopening of that post office because there is a demand for it. As in the case of many other villages and towns, there is a demand for this basic and vital service in Killeigh, which is a rural village with a growing population. I have raised this issue on numerous occasions with the Minister of State, Deputy Michael Ring, and representatives of An Post. I am calling again for real consideration to be given to this proposal, which will help to revitalise a rural town which, like many other towns, has a great deal of potential but has been abandoned by the Government and is being kept alive by community spirit.

I recognise that there are challenges facing An Post. We have all acknowledged this. We need to modernise and transform the role of the post office so that it becomes a hub for accessing public services within the community. An Post can be part of a joined up approach to financial services provision to support SMEs and the development of local economies. Post offices should be afforded the opportunity to sell insurance, process motor tax and link up with credit unions. There is need for a serious change in the Government's approach to the post office network and to rural Ireland. Rural Ireland exists. There is life beyond Newlands Cross. We need a pragmatic, long-term solution to protect and encourage the development of post offices in rural Ireland.

Deputy David Cullinane: The Minister of State, Deputy Kyne, can take Sinn Féin's opposition to the Bill, in the first instance, as a vote of confidence in post offices and, in the second instance, as a vote of no confidence in the policies of the Government in terms of its failure, and that of previous Fianna Fáil Governments, in regard to post offices generally and, in particular, rural post offices and rural Ireland. Once again, rural issues come a distant second when it comes to policy and practice in this state.

The Bill is principally about a cap on postage charges. The Minister of State spoke about how, from his perspective, increasing the price of a stamp will help post offices. As pointed out by the Sinn Féin spokesperson in this area, Deputy Stanley, the Bill not only proposes to increase the postage charge, it seeks to remove the current cap and the checks and balances in place in this area. As such this is not a quick fix solution but a proposal that will have long-term consequences because of a lack of regulation following the removal of those checks and balances.

The problem is that the Bill is presented as a panacea for the problems facing the post office network. In reality, a full suite of measures are necessary to help and boost rural post offices, many of which were outlined by my colleagues and have been well rehearsed in all of the reports published on the future of post offices. The Government has turned its face against such measures. We are all aware of the difficulties which arose in the past when people in receipt of social welfare payments were directed to banks and other financial institutions and away from post offices. The policy of the Government is anti-rural post offices and anti-rural Ireland, which is not in the interests of rural communities.

As I said, Sinn Féin's opposition to the Bill is a vote of confidence in post offices and a vote

against the policies of the Government.

Deputy Martin Kenny: As stated, Sinn Féin does not support the Bill because, at the end of the day, rural Ireland matters. If rural Ireland matters, we must ensure the post office network is retained and grown. There have been many post offices closed throughout the country. The post office in the village of Cloone, which is in my constituency, closed a number of years ago following the death of the postmaster. Similarly, post offices the length and breadth of the country are being closed. The Government is doing its best to close post offices. That is the experience of communities. The Government may state is not its policy, but that is the reality on the ground for the vast majority of people. The post office in Ballygawley in Sligo is under threat of closure, in respect of which consultation with the local community is ongoing.

Legislation which seeks to remove the cap on postage charges does not change policy. The policy of the Government is continuously to move the more profitable parts of the postal service to the private sector. The country is awash with couriers delivering parcels yet our post office service, a network that has been in place for over a century, cannot access that type of work. This is happening because Government continues to pursue its policy of moving profitable services to the private sector while the remaining services are left to the public sector. When the post office network then loses money we all throw our hands up in the air declaring that it is no good and the public purse cannot afford it.

The Government needs to realise the people must have a service and that that service can be profitable if a genuine effort is made to make it profitable. I am of the view, as is the post office network and the trade unions involved in this area, that a solution can be found to make the postal service work. The solution put forward by the Government is not adequate and will not provide for rural post offices the length and breadth of this country. We do not want to go down the road of privatisation of this service and the closure of post offices by a thousand cuts. This proposal will result in rural Ireland being left behind again. I appeal to the Minister of State to ensure that does not happen.

Deputy Sean Sherlock: The Labour Party's support for this legislation is conditional on the Kerr report recommendations being taken seriously and the role of ComReg not being excised into the future to that of a regulatory body overseeing its obligations under section 12 of the 2002 Act. I take some comfort from the Minister of State's contribution in regard to the recommendations inherent in the Kerr report.

If one has regard to ComReg's postal strategy statement 2015-2017, there is a statutory remit to ensure the provision of an affordable universal postal service that meets the needs of all postal service users. There is legitimate doubt as to whether this legislation, as proposed, will compromise affordability for consumers. It is clear to anybody that the proposals in this legislation in terms of the increase in postage charges will compromise the affordability element inherent within ComReg's remit. ComReg has limited statutory powers to regulate An Post postal services that are not universal postal services. We know from ComReg that letter volumes have fallen by 32% since 2007 and that An Post is forecasting a further decline of approximately 4% per annum in this regard. As the universal postal service provider, An Post is the market leader in the delivery of letters and it must take the necessary steps to address this decline and ensure the continuation of the universal postal service.

I welcome the review commenced by the company. We are all agreed that strategic changes and restructuring must be real and that there must be definitive timelines on those actions. If

An Post has full commercial freedom to ensure that its other postal services are viable financially then there is a question mark over whether it has achieved this historically. The answer is that clearly it has not done so. If it had, we would not be here now. That places a significant burden on the Members of this House who are genuinely trying to ensure a future for An Post but who are also trying to protect consumers against undue and unfair price increases. There is something of a Hobson's choice. The 2011 Act is clear in respect of An Post's obligations to the universal postal service and compliance with price affordability, as I have said. An Post must comply with the price cap. It is very tempting to ensure such a regime is not undermined or changed so as to protect consumers and speak to the public interest.

Price increases lead to flows towards electronic means of communication. This is well documented. The price elasticity affecting the cost of postage is negative, as we know. Where one keeps increasing the price, one reduces the demand, and the consequent revenue loss puts An Post in an even more precarious position. The price cap mechanism employed by ComReg is arguably a protection in more ways than one. It regulates price and, in doing so, ensures volume is theoretically maintained to keep An Post viable.

The technical challenges faced by An Post in this electronic age are well documented. The availability of electronic substitutes has resulted in diminished mail volumes, thereby affecting revenue streams. Corporate behaviour is changing and entities such as Bank of Ireland are increasingly moving their communications with clients to an online format. Social welfare contracts constitute another case in point. Public finance pressures are also influencing behaviour in respect of funding deficits in the postal sector right across the European Union.

The recent Kerr report and post office network business development group recognised the worth of the post office network. The report made 23 recommendations. One must ask again why they have yet to be implemented in view of the fact that the group was established on foot of the recommendations of a Cabinet committee on social policy. The Kerr report recommendations also form part of the 2016 programme for Government.

The chairman of An Post addressed the Dáil committee last July. He spoke about the very precarious financial position of An Post. He reiterated that in the past 24 hours in regard to the universal service obligation. Let me refer to the 2015 annual report of An Post. The opinion was articulated through our own research entity in the Houses of the Oireachtas. The report states mail accounts for 63.7% of revenue and that the extent of the decline is articulated through losses of over €340 million. It is stated that, of the 580 million items handled by An Post in 2015, 60% related to USO products while letters accounted for 90% of domestic USO volumes and 74% of international outbound USO volumes. Therefore, bearing in mind the ComReg report, to which I have referred, we know that the deteriorating liquidity of An Post is a matter of grave concern. The amount of cash in hand and in the bank fell from €350 million to €50 million between 2008 and 2015, as I understand it. I am sure the figure has diminished even further. ComReg tells us that 80% of postal transactions are business-related and that 30 large postal service users, including banks, utilities and Government, account for the vast majority of mail sent.

I referred to Bank of Ireland as an example of just how much mail has reduced in such a short period. If volume has reduced and if the current cap is changed or goes, there will be a serious danger of rising costs for customers and SMEs, in particular. In this scenario, price increases will result in a further decline in revenue, precipitating the demise of An Post over a long period. If we do not arrest this decline now, we will do a disservice to present and future

postal service users because the service will not exist in large swathes of the country.

Throughout the European Union, there are examples of where the universal service obligation has diminished to an unsustainable level. Monday to Friday deliveries have ceased in some instances. Post offices do not exist anymore in Sweden. Supermarkets and newsagents act as postal service agents. They behave like post offices and act as collection points. Letters are delivered but packages and parcels have to be collected.

It does not take a genius to figure out that if An Post's cash reserves are in such a perilous state, something will have to give. It is not beyond the bounds of possibility to envisage a time when the Monday-to-Friday delivery as we know it may become a thing of the past. There is a provision in EU legislation that could be helpful to An Post. It refers to services of general economic interest - I am stating this specifically because I hope the Minister and his officials will take on board this concept, which is real - or economic activities that allow public authorities, namely, the Irish Government, to identify as being of particular interest or importance to citizens and that would not be supplied if there were no public intervention. Examples are transport networks, postal services and social services. In practice, this could mean that the Government could specify that a particular service be provided through the post office in a manner that is required by citizens and argue that no private supplier could do the same. In other words, the Government could utilise the EU provisions in regard to services of general economic interest to channel certain Government services through the post office, thus increasing footfall and revenue to the post office. Opportunities to do this in the past have not been taken, to the detriment of the post office network. The Government, if it is genuine in its commitment to the future of the post office network, must utilise all such future opportunities to use the services of general economic interest. If one marries this element to the Kerr report recommendations, one notes that there is complementarity. If it is the case that the mechanism of services of general economic interest cannot be utilised or mobilised in this instance, perhaps the Minister could make it clear in his response, or at some other stage. We firmly believe, however, it is a mechanism that can be used. It has been used by other countries, specifically with regard to postal services to ensure their protection.

There is a stark choice for this House to make. We note the concerns of postmasters and Age Action. The cash reserves of An Post are so precarious at this point that this action is necessary. It is the lesser of two evils. I do not believe we can wait for a review of An Post's own financial position to take place and for a report to be issued thereon with a set of recommendations. We are up against the clock on this one. I fear that if we do not support this legislation, the cash reserves are such that wages will not be paid and post offices will have to be closed. I do not want to exaggerate or sound alarmist based on the briefings I have received on this issue. It would be very easy for me to state that we have to protect consumers and ensure that there are no further increases in the cost of postage stamps.

8 o'clock

However, most Deputies are of the view that, if it is a choice between that and protecting workers, the network and the universal service obligation, USO, as well as ensuring the hundreds of post offices around the country stay open, and notwithstanding the attitudinal issues in respect of rural areas, it is important that we continue to maintain the infrastructure and not risk the demise of the service as we know it. If that means supporting this legislation, then we will support it.

18 January 2017

We also support the Bill on the basis that the Minister will be proactive in terms of the recommendations of the Kerr report, will explore genuinely further cost reductions and will make a genuine attempt to engage on the matters of services of general economic interest. We should ensure cash reserves are bolstered in order that everyone can continue to enjoy, if I may use that word, or use the service and there is no risk of an immediate closure of certain of its elements.

I take the opportunity to wish the Minister, Deputy Naughten, well in his recovery. We wish him a speedy return to the workplace.

Deputy Brian Stanley: Hear, hear.

Acting Chairman (Deputy Bernard J. Durkan): I call Deputies Barry and Bríd Smith who are sharing time.

Deputy Mick Barry: Let us take a glimpse into the near future and examine the case of a modern Romeo and Juliet, and Denis Naughten. Romeo and Juliet are engaged in a passionate correspondence. All of their friends have smartphones, tablets and laptops, but this romantic couple feels exchanging words of love via technology is a bit of a passion killer; therefore, they decide to conduct their correspondence via post. One day in 2017, Juliet calls down to her local post office - she visits often because they send loads of letters - to mail her latest letter. Alas, the postmaster regretfully informs her that Denis Naughten has decided to increase the price of a stamp from 72 cent to €1.06. Distraught, Juliet runs home in tears and sends a plaintive message to Romeo by e-mail. It was never platonic, but now it is electronic.

Deputy Timmy Dooley: Joe Higgins lives on.

Deputy Mick Barry: Romeo and Juliet may not be the typical stamp buyers. An Post's customer base may comprise more small business people and older people than lovelorn teenagers, but is the Minister of State not concerned that the basic effect of a large stamp price increase might be the same for them? The Government will not hike stamp prices by large amounts without losing customers. The volume of mail is down 38% since 2007. Does the Minister of State not believe that a price increase would drive that down even further?

There are alternative strategies for increasing An Post's revenue stream. In New Zealand and Germany, state-run post office banks seem to be highly successful. It is high time that we had such a bank. A Bill proposing this initiative passed Second Stage before Christmas. The Minister of State might update the House on the Minister's attitude to this initiative and the timescale for same.

The Irish people spend €6.6 million everyday on clothing and household goods ordered online and delivered by parcel post, yet an Irish Government shut down An Post's SDS delivery service when it should have been beefed up. What plans does the Minister have to revive such an initiative?

Thankfully, the Government has backed off from its plans to divert business away from An Post and towards the banks by paying 625,000 social welfare recipients via electronic transfer into their bank accounts. Why was such a proposal ever made in the first place and will the Minister of State assure the House that no such proposals will be repeated?

There is the potential to make post offices into hubs where a range of State services can be accessed, but talk is cheap. This idea needs to be translated into reality. What concrete plans

does the Minister have to do so?

The Anti-Austerity Alliance has no faith in the Government to act seriously on any of these proposals. After all, since 1984, Fianna Fáil and Fine Gael-led Governments have presided over the shutdown of 1,000 post office branches. Why should those who have butchered the service be trusted to develop it in future? A genuine left government would implement all of these progressive measures. While we campaign for such an outcome, we will continue opposing all measures that undermine rather than save the post office network, including this one.

Deputy Bríd Smith: I attended yesterday's committee meeting and noted the absence of the Minister, Deputy Naughten. As I was not aware that he was out of action, I would like to wish him well in his recovery.

Although I was not present for the whole committee meeting, my impression was of a love-in between a plethora of representatives of the many committees that were investigating how we could make An Post viable. Each committee has been studying one aspect or another of the problem, yet none seems to have reported back with any meaningful solution other than to increase the price of a stamp. One might say that it is only 30 cent, which is not all that much, and it would give the company a cashflow and enough breathing space to survive, as argued by the Labour Party Deputy before me. That sounds reasonable, but when one considers how the volume of mail has declined - Deputies have referenced the percentages - and the cohort of people who pay for stamps, one realises that this would place the 30% increase on the shoulders of those who can least afford it. I refer, in particular, to pensioners, older people and small organisations, for example, communities and organisations that regularly communicate by letter with their audiences. As Deputy Barry stated, an increase of 30% would probably see them turning to e-mail, being put out of action or having their budgets hurt badly. Needless to say, the Government will not give them an increase in their community grants, which have been slashed consistently during the years of austerity.

We will not deal with the serious problem facing us simply by increasing the price of a stamp as an emergency measure. Instead, this will have the opposite effect, in that more people, and smaller organisations in particular, will move away from using postal services.

As the House knows, An Post's key loss maker is the USO. An Post had an operating profit of €5.2 million last year because of the increase in the volume of parcel post, but it has been forced to compete in that regard with the likes of DHL and FedEx, which do not have the compunction of the USO, and the Government cannot subsidise the USO under EU law.

With more than 1,100 outlets across the country, 74% of An Post's business is connected with social welfare, savings accounts etc. Attempts are being made to get more such business. That would be of considerable help, but it should also be acknowledged that An Post's workers have helped to reduce the company's running costs through various means down the years, for example, through wage reductions, productivity measures etc. Unless I am mistaken, the contribution of An Post's 10,000 staff has led to savings of approximately €100 million.

There have been all sorts of attempts to make An Post better, but this latest attempt should be rejected. It is the wrong way to try to mend the service. It is like being given a plaster after splitting one's head. It will do nothing to service the rural and isolated communities whose post offices are facing closure. As a member of the committee, I have seen no real attempt being made by any of the study groups that have been established to consider the impact of the

18 January 2017

removal of post offices on the fabric of society in rural and isolated communities. Post offices play a vital role. Although it might be said that they only service small communities, those communities are just as important as this community in the Dáil or any other. In my area Rialto post office was recently closed. There is a post office in Dolphin's Barn and Kilmainham which are handy enough for me to get to on my bicycle, but there are many aged people, people with disabilities and others who are new to the community who depend on the local post office for the service, convenience and the vital social role it plays in their life. It seems that where we have problems in the delivery of public services the Government tries to put a plaster on a situation instead of being determined to protect and to ring-fence public services. Vital semi-State companies that play a very important social role are being considered as commodities in a competitive world that the Government seeks to cut and reduce. In a similar vein we had an announcement yesterday that it is intended to let hundreds of Bus Éireann workers go. We must think strongly about the cost to the elderly and the most vulnerable of what the proposed increase would mean. We should not consider it as just a small increase that would give us cashflow, it is a serious setback for the overall solution to An Post's problems if we think we will address it by increasing the price of a stamp.

A plethora of working groups are looking at the issue. The Kerr report examined it in depth. Following that, a post office hub was set up which is overseen by the Minister of State, Deputy Ring. A steering committee was set up by Mr. Dermot Divilly to consider the Kerr report and when he gets back to work the Minister, Deputy Naughten, and his officials will examine the potential for incorporating motor tax and other Government services into An Post services. That is all great, but we have not had an outcome resulting from the reports. It strikes me that if there is a crisis then the speed and interest with which it is dealt with by so many groups, committees and Ministers should be coming to fruition.

In my experience, the problem with having so many different groups looking at various aspects of a service is that when the closure of a post office such as the one in Rialto occurs one does not know who to speak to. One speaks to the Minister, Deputy Naughten, who says he will look after that and get back to one. Days and weeks go by and when one e-mails the Minister he says he passed it on to the Minister of State, Deputy Ring. When one contacts the Minister of State, Deputy Ring, he acknowledges one's concern and then there is a further acknowledgement and a statement that he is looking into the matter. Weeks later one finally gets a communication saying one will have to talk to management in An Post about this. It is a case of "I know nothing; I am from Barcelona". That is what happens when one creates a network of responsibility involving this, that and the other committee and at the end of the day the crisis is not addressed and the service suffers.

There are solutions. One was mentioned in the previous discussion on the issue and it related to addressing the effect of the closure of banks in rural communities. We should have received a report back on it by now because it is not rocket science. We are not reinventing the wheel. The banks have shut up and gone off and one solution was to replace the services that were provided by high street banks with something similar to the Sparkasse model in Germany or the Kiwibank in New Zealand. I used the Sparkasse model when I was in Germany. One got all the banking services from a post office-type banking service that brought a dividend back to the government. Instead of having a cruel and inhumane banking sector that does not give a damn about its customers, one could create a community banking service that would make An Post viable and keep post offices in every rural village and small community like Rialto. Those are the solutions we must examine and we cannot take forever to do so. We will oppose

the increase because it will be the first of many. If the Government thinks that is how one deals with a problem then it will try to do it again. Everybody should be aware of that and should oppose the Bill.

Acting Chairman (Deputy Bernard J. Durkan): I understand Deputies Thomas Pringle and Joan Collins are sharing time. Is that agreed? Agreed.

Deputy Thomas Pringle: The Bill deals with the universal service obligation and the need for An Post to have a price increase in the cost of postage to try to shore up its financial position in the current climate. As has been outlined, we had the cheapest postal prices in the European Union; therefore, the increase would probably only bring the price into line with EU levels. However, the crisis in An Post has also been created by the European Union. As other speakers have outlined, the post office network and An Post itself have a social responsibility and play an important social role in terms of everyday life across the country. The problem is that none of the EU regulations under which An Post operates recognise that, other than the universal service obligation and that is the crux of the problem we face in An Post. Until we as a people and a Government accept that An Post has a social role and we step up to that social responsibility, An Post will always be in crisis and it will be a case of diminishing returns until such time as the Government throws its hands up and says it can do no more and An Post will cease to exist. That would be a disaster for the 10,000 people whose work depends on An Post. It would also be a disaster for the millions of people across the country who depend on the postal service for the delivery of their post but also for the social contact involved in the postman calling to the house to deliver the post.

The banks and large utility companies have pushed customers to e-billing and e-statements, which has taken away a segment of the previous business of An Post. It is a cheap way for the banks and utility companies to deliver their bills. It was outlined by previous speakers that the price increase could speed up the process of encouraging others who currently use the postal service to change to e-billing, e-statements and e-communications rather than continuing to use the postal network. I am also concerned that the price increase could have the unintended effect, or perhaps it is a desired effect, of enticing private operators into the postal delivery service in more densely populated areas.

I am reminded of the situation with electricity. We had the cheapest electricity in the European Union in 2002. The ESB, a semi-State company, was providing electricity at a very cheap cost for consumers across the country and it also made a profit, but when the EU decided the electricity market had to be deregulated, liberalised and opened up to competition, we discovered that electricity was too cheap to provide competition as the price would not attract any private operators into the market. The energy regulator embarked on a programme of forcing the ESB to increase its prices over a number of years in order to entice private operators into the electricity market. I am concerned that a price increase in An Post would have the same effect of making the market more attractive for private operators to carve up some of the business for themselves. In deciding whether to enter the market and compete with An Post, they will look at what An Post is charging and seeing whether they could come in at a lower price, which ComReg will facilitate them to do. An outcome of the price increase could have a detrimental effect on An Post.

In his statement the Minister of State said a 1% reduction in mail volumes cost An Post €4 million a year, which is probably true, but I take issue with his statement that a 1% increase in pay costs An Post €4.5 million a year. The recent pay deal that was worked out with An Post

18 January 2017

staff has been introduced on a cost-neutral basis as staff gave up their entitlements to sick pay and other benefits to off-set the costs for the company. I do not believe a 1% increase in wages would have the same knock-on effect on An Post.

I have spoken about the social role An Post plays, which has not been recognised. It is a year since the Kerr report was published but there has been practically no implementation of the recommendations of the report, which would help to make An Post a sustainable company right across the country and would help to keep rural post offices open. We hear that the recommendations of the Kerr report will become part of the strategic review of An Post's business and we will have to wait for it to be completed before there is any implementation of the recommendations. If that is included in the strategic review, we will have to see the roll out of it; therefore, that is a further delay. What we see here and what we have seen constantly is ongoing delay in actually dealing with the issues. The Kerr report could have been implemented last year and we could start to see the effects of the roll out of that at this stage. It could be helping to boost An Post, make the network more sustainable and assist the company in remaining sustainable, but we have lost that with the delay and the strategic review will be further delayed. We will be in a constant spiral, which will be almost like a death spiral for An Post, where there will be pressure to increase prices to fund it in the future. That increase in prices will reduce revenue. We are not getting any delivery of the recommendations that could help sustain the network and company and it will come to a point where the whole thing could collapse and come down like a house of cards. That is wrong. We should be taking a decision to recognise the social responsibility An Post has and the social role it plays and ensure that the price of stamps can be kept as low as is feasible to ensure that people can have a service they can continue to afford to use and the people who use that service are not subsidising the banks and utilities that are moving away from that service and are not paying an additional cost through that. The company has serious problems and we need to get a grip on them and accept the Government's and people's role in ensuring this service stays open because it is worth more than just the price of a stamp and the increase in stamp prices.

Deputy Joan Collins: It is welcome that I can speak in this debate because I must declare an interest. I was a post office clerk for 33 years and I am on secondment in respect of my job here.

Following on from the point made by Deputy Pringle, An Post is a necessary service like electricity or gas. They are things people need. The history of An Post and other services involves deregulation led by the European Union - first of all with regard to packages and now in respect of the letter service. This has been coupled with the huge rise in technology. Most people would say that their sons or daughters probably would not even know what a letter is because they are all using email or texts. This is coupled with the fact that the banks and utilities are encouraging people to use electronic billing and e-mail to pay their bills and enticing them to do so with special offers and reductions. We mentioned this before in respect of the Department of Social Protection under a Labour Party Minister allowing the encouragement of the payment of social welfare payments through the banks. Elderly people are subsidising those deals because they do not use e-mail or computers as much as younger and middle-aged people.

I will give a brief summary of the background to this situation. I am a member of the Communications Workers' Union and have been contact with my union about this. It is a dilemma. We are talking about increasing the price of a stamp by about 30%. Does that then have the spiralling effect of fewer people using the postal service such that we are back in the same situation very quickly? Unless we see the Government linking something like this as a short-term

measure to implementing the Kerr report within about two or three months to try to revitalise those services, this will not work in the longer term and we will be back where we started. It will impact on community groups and older people. On the other hand, if this decision is not made, we could see An Post not being able to pay its workers in the next few months, which would be a disaster. We should look at this in the context of the impact of deregulation on our services. Everyone thought that the PSO would protect the idea of a social service to communities but we see now that it does not. We see the pressures on Bus Éireann in respect of how it will deliver on those PSO obligations when it is not possible to put money into the companies.

Funding of the universal service obligation, USO, and An Post's financial strategy have been and remain a major concern for my union, not least because both are inextricably linked and have a consequential major impact on pay and conditions of employment for workers in An Post. Prior to the introduction of the Communications Regulation (Postal Services) Act 2011, the small monopoly An Post had in the reserve area was used to fund the USO. The union outlined at the time that unless steps were taken to fund the USO properly, it would be unsustainable in the medium to long term. Equally, the failure by successive Governments and the reckless failure of ComReg to require legitimate price increases have starved the company of much needed finance. This has resulted in the company spending its significant cash reserves to fund the day-to-day operations of the main business, which necessitated the recent sale of Cardiff Lane to subsidise the USO. In respect of price cap control, in April 2014 ComReg announced a revised pricing mechanism enabling An Post to apply for price increases over a five-year period based on the consumer price index. The CWU argued that the pricing structure was inadequate to fund the USO properly, most particularly in circumstances where mail volumes continue to decline leading to per unit costs rising. In its decision document, ComReg stated that the new pricing model would provide adequate funding for the USO assuming a further efficiency improvement of 10% by An Post over the five years, which included no provision for pay increases to An Post staff. The regulator's office operated in cloud cuckoo land by ignoring the reality that there is an obligation on An Post management to make adequate provision to make fair pay for staff. The adopted approach resulted in low paid postal workers subsidising the mail business while ComReg continues to award itself pay increases, including bonuses, the payment of which is largely financed by An Post and other communications operators. This is the madness of the world we are living in. Workers in companies are subsidising ComReg, NTA and all these groups.

I will address the issue of the pay increase because I am concerned about the point made about every 1% increase leading to a €4.5 million increase in costs for An Post. Workers have been looking for that pay increase since 2008. It has gone to the Labour Court every year. This year, the union went to the Labour Court regarding the 6% pay claim. In issuing its recommendations, the court stated "an effective pay freeze has applied in the company since 2008. In these circumstances it is understandable that the trade union group are now seeking a pay increase." The court stated the financial projections made by the company in relation to its core business do not suggest any amelioration of the current position in the short term and that there was a need for engagement between the company, its shareholders and the regulator, where appropriate, on the contribution of pricing and growth to the future financial stability of the core business. It said that the continuance of the pay freeze proposed by An Post was no longer a viable proposition. That was a Labour Court recommendation. The recommendation was to pay the 2.5% increase on 1 July 2016 and a 3.5% increase in 1 July 2017. A total of 50% of that will be made up of savings by the workers. I can tell the Minister that there are many angry workers in An Post who realise that they are going to get a 6% pay increase but will have to pay for it

18 January 2017

by giving a 50% saving. Again, it is a stark reminder of the proposition that is being put to Bus Éireann workers who are told they must take a 25% cut in their general pay for an increase of 2% offered by the company. It does not add up from the workers' point of view.

The union welcomes the price cap decision and acknowledges that this significant and positive development has materialised relatively early in the tenure of the new CEO. However, in tandem with this change comes the increase in the price of the stamp. An Post must also review its overall pricing strategy which, in the union's view, is not coherent. It has displayed little or no joined-up thinking in the area over which it already has direct control in respect of the various products and service offerings which have also resulted in revenue loss.

The union fully supports the Minister's actions for the following reasons. An Post's quality of service is one of the best in Europe. Postal workers should not be expected to subsidise the national postal service. An Post has never received any State subvention. The Labour Court has stated there is a requirement on the company shareholder and regulator to engage in the pricing issue to ensure financial viability. Notwithstanding major ongoing cost reductions coupled with an eight-year pay freeze, the company is in a very precarious financial position. Crucially, 40% of the company's losses come from inbound international mail amounting to €15 million. Half of these losses arise from an international mail agreement entered into by the State and imposed on An Post.

We are seeing huge changes because of historical events and progress. If we want to provide services in this country, we have to be prepared to stand up to the European Union and say that at some point we cannot deliver the services we are obliged to deliver under the PSO and the universal service obligation to our community. It is a social service which also has to be productive.

I support my union's position. We have raised the issue of the rural post offices and the post office network in general in the Dáil since I became a Member and I am sure it was raised by Fine Gael in opposition before 2011. It has to be linked with a quick implementation of what can be a viable injection into the post office. I make a point also made by a previous speaker. Rialto post office was closed down overnight and it is happening everywhere with 1,000 post offices closed down under Fine Gael and Fianna Fáil-led governments.

Unless there is a change in Government thinking and unless the Government wants to keep the service viable, it will not happen. I do not expect much from the Government. I urge the people to put pressure on the Government to deliver from that point of view. It has to be the case.

Acting Chairman (Deputy Bernard J. Durkan): I understand the members of the Rural Independent Group, Deputies Michael Healy-Rae, Danny Healy-Rae, Eugene Murphy, who is an exception, and Mattie McGrath, are sharing time.

Deputy Michael Healy-Rae: I send my warmest best wishes to the Minister, Deputy Naughten, who is not here tonight and who would want to be here if he could. We are all grateful that he is recovering and hopefully making a good recovery after a serious accident.

The Government gave a commitment to post offices and community banking on page 48 of the programme for Government. The Minister explained to me that he was faced with a serious predicament, which was either to go along the lines of what he is doing now or else possibly be faced with having to go to the European Union to seek a derogation and bring us from a five-day

postal delivery service to a three or four-day service. Having said that, I appreciate where he is coming from in what he is proposing to do.

I have to declare, as I have done several times previously, that I am a postmaster of a small post office in village where we are just hanging on to keep our door open. I have asked myself how increasing the price of a postage stamp will affect post offices like mine. I believe it will be prohibitive and will stop people from using the postal service at a time when we are inundated with other methods of communications such as the mobile phone and e-mails. We are really up against it in a battle for survival.

I have a number of questions. What is the post office development group's financial strategy for the next five years and is it operating a sustainable model? Has the post office development group within its report implemented any changes taking into account the promises made within the programme for Government? Does the post office development group foresee any post office closures, as predicted by the Grant Thornton report of 2014? How many contract post offices have had their income reduced since 2014 and in particular this year? Can this be broken down by the years 2014, 2015 and 2016? I know at first hand that in every post office that has come up for review, the postmasters have seen their incomes being dramatically reduced to the extent that it is making it unviable for them to continue. After rents, rates and insurance costs are taken into account, are some rural and urban post offices now operating at or below the national minimum wage? These post offices will not be closed by An Post but will just cease to operate because of lack of funding.

When the new social welfare contract is up for renewal, has the post office development group ensured within its current report there is both a social and economic element to the contract, which might help to regenerate and sustain all communities, both urban and rural? Does the post office development group have a plan to introduce community banking, as promised in the programme for Government following the New Zealand model in its final report? From a population of 4 million, Kiwibank now has income of over €100 million and 860,000 customers, as I have pointed out in this House previously. That is almost one in four of the population.

Are we to continue supporting the commercial banking sector that has vanished from rural and disadvantaged urban Ireland and has helped with the destruction of small communities everywhere? Bank of Ireland and AIB previously had branches in places such as Waterville and Sneem and throughout north, south, east and west Kerry. Those services of the commercial banks are now gone because they abandoned these rural areas. The one thing that is left standing in those places is the post office. Therefore, I see community banking being the lifeline for post offices. The Government and An Post keep referring to the new "e-payment account". However, that is not a full banking service and will only have a minor impact on the incomes of individual post offices.

I believe the Irish Postmasters Union took its eye off the ball over An Post's mail consolidation that is causing significant financial strain for postmasters nationwide. Action is needed now to prevent widespread closures and to prevent the collapse of the post office network. I suggest the introduction of a Bill based on the Private Members' motion passed on 17 November 2016 as a matter of urgency.

From my daily contact with postmasters, not just in County Kerry but throughout the length and breadth of the country, I know that the post office network is in serious danger of collapse. A number of years ago I predicted that of the 1,140 post offices, at least 500, 600 or 700 would

face imminent closure unless drastic action was taken. That is why the Private Members' motion was passed unanimously in November. That is why a Bill enacting the provisions of that motion is now needed to secure the future and to introduce community banking.

Postmasters are not looking for a bailout from anybody. All they are looking for is the ability to increase the footfall going through their doors. The additional services that are centralised in county council offices could be delegated to post offices to accommodate elderly people. Why should a person in his or her 80s have to drive to Tralee to get a photograph taken for a driver's licence? That is crazy. Why should people have to do a round trip of 120 miles just to get a photograph taken? It is nonsensical. Services like the driver's licence service should be available in our post offices. Post offices are already equipped with the most up-to-date technology. They do not need any further updating. All they need is the opportunity to offer more services to customers. If more services could be decentralised to local post offices and if they could offer community banking, that would ensure their future survival. We should learn from the Kiwi banking model instead of taking the same route as that taken in England when more than 10,000 post offices closed. Surely we should learn from the mistakes of others and model ourselves on those countries which were successful in steering their post offices away from disaster.

Unfortunately, I cannot agree with what is being proposed in the Bill. That said, I appreciate where the Minister for Communications, Climate Action and Environment, Deputy Denis Naughten is coming from. He was placed in a very difficult situation given the financial situation within the An Post group. I hope that at the end of this process we can work together to enact a Bill that will save the post offices. I do not want to see the last remaining facility in many rural communities going by the wayside. We have lost so much already with the closure of creameries, small pubs and shops. We are now in danger of losing post offices too.

Deputy Danny Healy-Rae: I am glad to have the opportunity to speak to the Bill which is very important, especially to those in rural Ireland. Many people in north-west Cork and parts of east Kerry are very worried because the post office in Ballydesmond is due to close at the end of February. They are hopeful An Post will issue a tender for the service again and that someone in the locality will be successful in getting the contract and will keep a post office open in the village. The Ballydesmond post office is very important for the vast rural area of east Kerry and north-west Cork. Many people working in that area use the post office regularly. Munster Joinery employs almost 1,400 people and Kelly's of Ballydesmond, a big civil engineering company is also a significant employer. Indeed, there are four or five big employers in that area and a post office is needed.

The post office in Ballydesmond, as with many parishes, is one of the last facilities available that make the place a village. Most of the other facilities and services associated with villages have gone, such as the creameries, small shops and pubs. If Ballydesmond were to lose its post office, that could signal the end of the village and the identity of the community would be lost. Down the road, only a few miles away, the post office at Knocknagree is due to close in March. We are not so sure if someone will tender for the contract because there is no other shop in the village. There was a little shop in the post office but that is due to close. It is very sad for the community in Knocknagree, where Sliabh Luachra music and the best of Irish traditional music is played regularly. Knocknagree plays host to many big music events and it would be very sad to see the parish without a post office.

Not enough is being done to ensure post offices remain open. We have had Bills, promises

and so forth, but all that is needed is for more work to be given to the post offices. Sadly, the last Minister for Social Protection, Deputy Joan Burton, instructed her officials to tell social welfare recipients to provide the Department with their bank details in order that their payments could be transferred electronically via the banks. That did an awful lot of harm to rural post offices. People did what they were told and the post offices were left behind. As the previous speaker said, more work should be given to the post offices. The driver's licence service and many other services and schemes could be administered through the post offices.

An increase in the price of stamps is not the way forward. If I was to increase my rates by 30%, I would not last more than a couple of days in business. I will not be supporting the increase in the price of stamps. I am sorry that I cannot support it but some other way will have to be found to deal with the financial issues. Such an increase will signal the end for An Post completely.

Deputy Mattie McGrath: I am pleased to speak to the Bill. First, I convey my good wishes to the Minister for Communications, Climate Action and Environment, Deputy Denis Naughten. I wish him a speedy recovery. It was an awful trauma for himself and his wife, but I believe he is making a good recovery. I hope the Minister of State, Deputy Kyne, will pass on my good wishes.

I am appalled by this situation because in the negotiations on a programme for Government, 90% of which were attended by the Minister of State, rural post offices were a big issue. The rural Independent group, including Deputies Michael Collins, Noel Grealish, Danny Healy-Rae and Michael Healy-Rae, prioritised this issue because it is a very important one. What is the point in having a programme for Government if the Department is just going to decide unilaterally to increase the price of stamps drastically? It is easy to tell that there are not many business people on the Government side of the House. The proposal is to increase the price of a stamp from 72 cent to 95 cent or €1, which is an increase of almost 40%. As Deputy Danny Healy-Rae said, no business could sustain this. That is not good planning or good management. It is just a knee-jerk reaction.

The Kerr report on the rural post office network was published several years ago and there have been a number of other reports. As a previous speaker said, we had crocodile tears from the Labour Party and others in government in recent years. Deputy Michael Healy-Rae, myself and others brought letters into this House that people received from the Department of Social Protection encouraging them to provide the Department with their bank details. The Department was actively taking away business from the post offices. I have to declare an interest because my sister is a postmistress. I have not spoken to her about the Bill before us but I know the social value of every postmistress and postmaster in the small rural post offices. They have given sterling service over the years. Rural post offices have acted as community alert centres, interpretative centres and tourist offices. Postmasters and postmistresses would notice when a person did not turn up to collect his or her pension. Many times people who had collapsed in their homes were saved because the postmistress or postmaster noticed they had not turned up on Wednesday or Friday to collect their pension and raised the alarm. Post offices provide connectivity.

Recently the rural Independent group introduced a Private Member's Bill in the House. We put a lot of work into it. We had to find out who was the Minister with responsibility. That was the biggest difficulty. We thought it was the Minister for Communications, Climate Action and Environment but then found out that it was the Minister of State at the Department of Arts,

18 January 2017

Heritage, Regional, Rural and Gaeltacht Affairs, Deputy Michael Ring. We put an enormous amount of work into getting the Bill ready and received agreement from the Government that it would accept it. Members from all sides of the House spoke on the Bill, but where is it now? The Government has come up with this drastic action and our Bill is null and void. This House is reduced to a talking shop again. We need to see where the problem lies.

The Minister of State referred to various aspects of this issue. He said that the trend in An Post has been evident for some years but that it accelerated in 2016 with the company experiencing a doubling of the year-on-year decline in postal volumes, resulting in a serious financial impact. The Government's answer to this is to increase the price of stamps by 30% to 40%. Children in kindergarten or first class would not do that. As Deputy Danny Healy-Rae said, if he did that in his business he would close within a week. I am in business and I, too, would close in a week. No business could sustain it.

The Minister of State has pointed out that the mail business still accounts for almost two thirds of An Post's revenue and represents 78% of the company's payroll. That is fine and I salute the workers who do a good job. The Minister of State went on to say the company was entering a period of significant change to try to cope with the rapidly changing environment in which it operated. In this regard, the company has started a fundamental review to identify necessary strategic changes in restructuring. This is jargon which was written by some of the Government's advisers or officials. It has been staring us in the face since before Fine Gael went into government six years ago and Fianna Fáil was in government before it. It is quite obvious to anyone with a nose on his or her face. The Government is looking in the wrong place, as it is on so many other issues. It is looking at the problem as being postmistresses and postmasters in small sub-post offices, but they only receive a tiny transaction fee for all they do. The Government is trying to take the business away from them and now it is stating it will increase prices which will kill it off altogether.

We have just finished a great year celebrating the 1916 Rising. I ask the Minister of State to look at the GPO because that is where the problem is. I have it on good authority that the problem is in headquarters. He should look at the costs incurred there and ask whether there are people who are not gainfully employed because of union and other sweet deals. It is there and in other big post offices where the money is being siphoned off. I do not want to deny anyone a job, but I do not and cannot condone what we have had in Cashel hospital for the past eight years where people have been paid to be idle. That is madness and it is not fair to the workers involved. The elephant in the room is on O'Connell Street, in the famous building in which we saw so much happen last year - the GPO. We should look no further than it. Both there and in some of the bigger post offices throughout the country there are huge costs, while others deliver the post in all weather conditions and on bad roads to distressed people. We are not looking at the main problem because of sweet and cosy deals and agreements done, perhaps not by the Government, but it is not acceptable. Union representatives can come here, as can postmasters, and whinge, cry, moan and groan, but let us be honest with ourselves and the people. We are in the middle of a deep recession and hope we are coming out of it, but we must weed out such practices. They are in certain parts of the public service, but there is no place for them in an Ireland that is struggling and recovering. We must look at where the problem is. We are awaiting the Kerr report and wondering when we will receive it. I am not saying Mr. Kerr is, but people are afraid to face the reality and look at the elephant in the room sa GPO agus in áiteanna eile. They went there for noble reasons at the time.

When our Bill was debated, I said "Use it or lose it." I genuinely thought that when the

Government accepted it, it would act on it in good faith, but it has not done so. This is not a solution but a knee-jerk reaction. It is like cutting off one's hand if one has a spot on top of one's finger. That is what it is. There will be a 30% to 40% increase in prices, but more and more business will be lost. Therefore, it does not make sense. Businesspeople are struggling and need services. They use postal services. There are people, including my children, who do not send anything by post. They use IT facilities, but this is damaging. We have seen it in the past 15 years; it is not today or yesterday that it has happened, but this is a knee-jerk and desperate reaction, a desperate effort to avoid facing the real problem. It should be dealt with and the unions should be challenged. If I am wrong, I will come back and correct myself, but I do not think I am because this is what I have garnered and been told. I was not told by whistleblowers, but it is known and it is happening in other areas such as the HSE. It is not fair to those on the front line who struggle and suffer on a daily basis in doing an honest day's work for an honest day's pay. This issue should have been dealt with years ago.

I do not blame the Minister of State for all of this, but it is a cop-out and I cannot support it because I am a businessman and it would be totally against every vein of intuition in my body and business sense or nous I have to think prices could be increased by that much when the business is declining. They should be cut to try to increase business. We all had to cut our prices drastically in the past five or six years to hang on in. Some cuts were forced but more were agreed to. Anyone involved in business will state this, including shopkeepers, but the Government is out of touch. It is in a bubble, as was said earlier, but that bubble will burst very soon and the Government will up in smoke when it does.

Deputy Catherine Murphy: It is important to put the history of the postal service in context because it is a survivor and in 2000 celebrated its tercentenary. There has been a postal service since 1700 which has been capable of change over the centuries. Mail has been delivered by stagecoach, the railway system which played a big part and mechanised vehicles and we are now going through another period of change in which technology is playing a part. We know that email, text messages and other electronic means are now the preferred way to engage in speedy communication. However, notwithstanding any technological advancement, there will always be a pivotal place for traditional postal services for business and personal use. Many on-line retailers to the forefront of technological advancement are dependent on traditional postal services to deliver goods to their customers. The postal service has been capable of change and I have no doubt that it will continue to be so, but it does require support and to do things differently.

The Bill seeks to remove the price cap mechanism and provides for ComReg to undertake a review of the consequences of removing the price cap. However, the review is not to commence until two years after the Bill has passed. In the meantime, it has already been indicated that the purpose of removing the cap is to allow price hikes to generate cashflow for An Post. An immediate increase in the price of postal services will add to the already exorbitant cost of living and doing business in Ireland, something that should not be taken lightly. An Post and the post office network nationwide are in danger. We know from various representations made by post offices and postmasters that they feel vulnerable and the reduction in the amount of State services administered through the post office network is of particular concern and threatens the survival of many. There is plenty of evidence and we all see it when people show us a letter from the Department of Social Protection in which it is presumed they have bank accounts and they are pushed towards receiving payments through them rather than at the post office. We are also aware that services such as bill payment and that stamps and gift cards

18 January 2017

can be obtained in shops other than post offices. I am aware that in 2014 ten supermarkets were part of a trial. I do not know the results, but according to An Post services followed the footfall. What those running post offices tell us is that this drives away footfall they would otherwise have and that people would engage in other transactions if they went to the post office. It is not just about buying a stamp conveniently; it is something of importance.

A lot of the conversation has focused on the rural post office network. Of course, post offices in rural Ireland are vitally important, but post offices in urban areas are just as important. We have seen the withdrawal of banking services in communities with an older population and in which there is less demand for banking services, as well as in poorer communities. It is not exclusively a rural issue, but having said that, I accept that it is more dominant in rural areas. There is also the social aspect of people going to the post office to collect their pension and someone knows if they have not turned up. This is a valuable role; it is not a tangible return, but it is the reality. With this in mind, long term we need to look at solutions to the threats facing the post office network and how we can best support it and acknowledge its vital place in Irish public life. A price hike now is a short-term fix which may do further long-term damage to the sector. Either way, the answer to the ills of the post office does not lie in isolation. Price hikes can and will be counter-productive. We must, therefore, look at ways in which we can realistically increase the functionality of post offices to bring them up to date, while also giving us an opportunity to use the network to deliver services to communities, with far-reaching benefits to society.

9 o'clock

Post offices have changed over time. In the 19th century, they were places people one went to get information, which is very similar to how individuals use websites now. At the most recent election, the Social Democrats put forward a proposal for a viable community banking sector using the already existing post office network. The timing in this regard could not be more appropriate as the post office network is in trouble. There has been a post-banking crash, a recession and a bailout and trust in traditional banks is at an all-time low. The vast majority of people would rather bank with publicly-owned or community-owned institutions. Households and small businesses are finding it difficult to secure loans and are increasingly frustrated with a banking system that works against them, not for them. There are issues of trust and responsiveness. A report commissioned by Irish Rural Link found that improved access to finance will be a vital component of continuous economic recovery and development, especially for Irish small to medium businesses and people across the country. The SME sector is one of the sectors most exposed to Brexit and Enterprise Ireland-supported companies represent approximately 5,000 different companies employing 192,000 people right across Ireland. It is a very important sector and the post office service could be a support to that sector.

There are approximately 1,100 post offices throughout the country and these provide a ready-made branch network, with a physical presence in towns and villages up and down the island. We proposed a plan which would see the State and Central Bank work with the Credit Union movement and the post office network to build a strong community banking sector. In the United Kingdom in 2012, the relationship between Bank of Ireland UK and the Royal Mail was extended and the post office financial relationship has delivered over 2.8 million customers, a savings book of more than €17 billion, a loan book of €3 billion and a comprehensive range of financial products, including savings accounts, mortgages, motor and home insurance and credit cards. A part-Irish-owned bank provides the service we are looking for in the post office system here. There are some 11,000 branches too, approximately ten times the number

that we have in this country. The expertise is there, it is already happening somewhere else and it can happen here. Customers of local post offices could have full current account facilities, including access to debit cards and online banking. We also propose a feasibility study of the possibility of post offices operating enhanced services, similar to what I have just spoken about. We have to have a greater vision than to just keep increasing the cost of the stamp. That vision must keep pace with the changing times and provide the mechanism needed for the post offices to strengthen their valued position at the heart of Irish communities, in both rural and urban Ireland.

Deputy Eamon Ryan: An Post is a very highly-respected company in Ireland. The postmasters have been there for several hundred years and have gained real trust among people. Trust is a not an insignificant aspect of any business and it is vital in terms of dealing with people's money, social welfare payments and savings. An Post deals with over 1 million transactions every day and has the skills and competences to do that efficiently and quickly. However, this company is in real crisis. The scale of that crisis should not be underestimated by anyone in this House. Last year we discovered the figures showing the downturn in core business mail, which is two thirds of the company's business. Instead of the expected 3.5% decrease in volumes in a year, those figures showed that the reduction was almost double that, at 6.7%. That is why we are considering this Bill and why there is real concern for the future of the company and for its people working in urban and rural post offices and in every aspect of the network.

I have a real concern that the provision for increases in the cost of a basic stamp could precipitate that crisis into a really fast downturn. I know why it is being done and there are no easy options but consultancy reports suggest large mail volume users such as banks and telecommunications companies, who are among the last big users of this service, will flip very quickly and the company will not only lose the Irish Water charges mail. I understand the company has already lost one of the big banks - perhaps the Minister might confirm this. When the price rises go through then, perhaps within a matter of months, rather than yielding an increase in revenue to give the company the room to get into an alternative business model we may see a further precipitous fall in volumes and revenues and this will not create the conditions to allow for the restructuring of the company that everyone agrees has to take place. This is my primary concern with regard to this legislation.

Whether I am wrong or right, there is only perhaps one year for the company to completely reconfigure its business and to start developing other revenue streams to cope with the ongoing downturn in mail revenues, which is almost certain regardless of whether or not we increase the price as expected.

I will reflect on from where a couple of new businesses might come or the circumstances in which a new model of engagement might happen. The first, as many previous speakers have suggested, is in the area of financial transactions and banking, which the company is already developing. We have to be careful about that. I remember, from bitter experience, having to be part of the management of the closure of Fortis Bank, the previous incarnation of development banking activities. I asked the people involved what their core business was, where the revenue was and how profit was going to be made and a glint came into the eye of the executives - good people - as they suggested mortgages would be where they could make a handsome profit. It was part of the culture of the time and the world and his wife were thinking they would make money out of mortgages. That was a huge mistake. I do not think we will turn An Post into a mainstream big commercial or mortgage bank. I do not think it will have the expertise in that regard and while we might try to develop the expertise in other areas, I do not believe it will

18 January 2017

be in An Post. It should be possible for An Post, in conjunction with credit unions and other institutions, to develop the new-style banking system, which is developing around the world, which uses mobile apps to put everything online, such as cash and payment services as well as microlending services. This will serve smaller-scale domestic businesses and will provide very small SME lending without big risks and with different expertise. There is a need to do something significant in public banking for SME lending at levels around €30,000 or €50,000 and we will be publishing legislation in this regard. One has to lend to make a profit in banking but with large volumes, small margins and highly-automated low-cost payment systems, the post office network can move into that space.

Second, Mr. Bobby Kerr's report goes through some of this, but there must be a facility for the development of An Post's parcel network, which could also evolve into a transport network. In rural post offices where vans deliver parcels, is it not possible to integrate that system into a rural transport system? It may be unorthodox, but it could still provide connectivity, savings and an increased revenue stream by delivering parcels and helping to carry people at the same time. It could also be seen as an exporting capability, particularly from smaller rural areas where small businesses need that level of connectivity to reach customers.

Third, and perhaps most importantly, is the core communications business. An Post defines its mission as a communications business; therefore, the company should be moving into digital communication services provided locally through this network. Public trust in the brand can be used to become innovative in order that An Post could become a leading public company in providing a whole range of digital services.

When I look at what I pay daily for various communications systems, it may not be usual because Deputies must have a range of different services. I am paying Dropbox, LinkedIn, Google and a raft of media companies for a range of services. I am paying for telephone and broadband also. Some of it is bundled but one has to pay for that stuff now. I want to store all my material online, including photographs and family videos. As I want that material to be there for the children and grandchildren, I am paying all these American companies, even though each one is a small payment. I am paying Google because I breached my 15GB limit of free data, but I am paying €2 or €3 per week for it.

All those services are being provided by international companies, but why can we not look at a State company to provide them? We know that such a State company will be here in 50 or 100 years time. It might give us some security for the nature of our data, so we do not have Facebook or others changing the rules every few years to suit their purposes. Instead we might have a company that we could trust. We would know they are not just out to use one's data for advertising, but to provide a safe and secure place to store data, which could operate online and does not necessarily require a physical network.

It would work well with an outlet to provide that sort of contact point for a range of different digital services that might be provided by such a company which is used to dealing with large transactions. It has our trust, unlike some of those social media and other international companies. I think there is a future in that. It would require a leap of imagination, a change of management and a change in how workers see the nature of the company.

We have no choice about this, however. If we just stick to business as usual, those workers will face an even bleaker future; therefore, it has to change. We could examine many other services also, but An Post should be the centre point for the State's provision of services - not just

motor tax renewal, but every aspect in terms of a contact point for the State, including agricultural forums and questions on every service the State provides. It should be a State information office to provide an increased level of transactions which we need to make the system work.

Whatever happens to the Bill and the price cap, my fear is that it could precipitate a real crisis in terms of a drop in volumes and revenue. I am minded not to support the Bill because of that fear, but I will support the Minister, whichever one it is. We have a real problem in that we do not know which Minister is really responsible. It is mad the way in which the responsibilities of this company have been divided. Whoever takes the reins will have a tough time, but this House needs to work collectively to help the Minister and the company to take a completely different direction. That company is hugely important for the future of the country.

Deputy Peter Fitzpatrick: I welcome the opportunity to speak in this debate. The main purpose of the Bill is to repeal the price cap mechanism currently in place for universal postal services which in turn will give An Post increased flexibility in its pricing.

There is no doubt that the post office network is facing huge challenges. One of these challenges is the fact that An Post is losing money and in the past seven years has incurred losses of €340 million. These losses are unsustainable and action needs to be taken to ensure the postal service has a viable and sustainable future.

In its assessment of the company, ComReg has established that An Post did not meet its efficiency targets of 2% per annum. Also, it did not price to the maximum allowed under the existing price cap. In addition, ComReg stated An Post was unlikely to break even on the services it provided that were subject to the price cap. With this in mind it is important that measures are now taken to ensure the postal network is protected and legislation is put in place to underpin its future.

Post Offices are an integral part of Irish society and must be fully protected in order that their future can be secured. I am mindful of the fact that An Post is operating at a financial loss and this must be addressed.

I read the Grant Thornton report which was published in 2012. It identified three main revenue streams for An Post - traditional mail services, Government contracts and financial services. It also identified potential future services that An Post could provide, including motor taxation, an extension of the banking services currently available, household charges, local authority charges and hospital charges.

It is interesting to note that the report also highlighted what were identified as future opportunities for An Post, including a restructuring of local government, additional Government charges, an ability to extend business in terms of capability and infrastructure, increased community interaction and technology related solutions including tracking, digital displays and phone applications.

Banks are facing cost pressures and seeking alternative solutions, while An Post has the required capacity to expand. Whilst highlighting the challenges faced by An Post, the Grant Thornton report also emphasised that An Post has a viable future.

Another report I want to highlight is the Kerr report which was published in January 2016. That report came about as a result of the establishment of the Post Office Network Business Development Group in January 2015 with a mandate to produce a report that would explore

potential commercial opportunities available to the postal network. The report was developed following an extensive consultation process where the group engaged with a variety of stakeholders including those in the public sector, commercial bodies, post office customers and other interested parties. The report identified the principal activities that currently underpin the postal network including processing social welfare payments, processing State savings products, bill-pay transactions for electricity, gas, telephone and waste, licence collections on behalf of public bodies, money transmission services, agency banking transactions on behalf of retail banks, foreign exchange services, postal services and gift vouchers. The report clearly recognised the value and importance of the post office network as a key piece of rural infrastructure that could revitalise rural communities. I strongly agree with that view. As I stated, the post office network is an integral part of Irish society. It must be protected and made sustainable.

With regard to safeguarding the future of An Post, the Kerr report identified 23 recommendations that it considers would be central to the future sustainability of the network. In my constituency of Louth and in Meath East there are many rural areas that depend heavily on their local post offices, including Ardee, Louth village, Dunleer and Carlingford, to name just a few.

The Kerr report clearly identified that the network needs to be renewed and modernised. It also recommended that the Government and An Post agree a business model to facilitate the introduction by An Post of payment accounts for social welfare clients. These payment accounts could also facilitate the use of a dedicated debit card, full access to ATM facilities and the use of standing orders and direct debit facilities. The report also identified that the payment of motor tax through the An Post network should be considered. One of the recommendations that must be looked at very closely is the proposal that An Post develop a formal structure with the credit union movement either through a representative organisation or interested unions to establish the potential scope for a link-up.

Another interesting aspect of the Kerr report was that it suggested we put a monetary value on the social aspect of the post office network. This is something about which I feel very strongly. We should put a monetary value on the social aspect of the postal network. The report also highlighted that there may be opportunities for An Post to provide additional services to the small and medium enterprise, SME, sector and this again is something that we must investigate further.

At this stage, it is important to state that the programme for Government also provided for commitments regarding post offices. The programme for Government committed to acting on the recommendations of the Kerr report and this I welcome. I am also pleased that the Minister of State, Deputy Michael Ring, has established a working group to examine and identify potential models for how post offices could act as community hubs, particularly in rural areas. As I said, we must protect the post office network. The establishment of these working groups will go a long way to providing a way forward for the network provided the recommendations are acted on.

I record for the House my complete support for the retention of the postal network. The postal network is part of society and too many depend on it. We must not diminish the role of the post office but must continue to support fully the concept of the postal network and develop a strategy that will modernise and safeguard the future of An Post. Rural areas, in particular, must be reassured that there is a future for their post offices and that we in the Fine Gael Party will do everything in our power to ensure there is a bright future for the postal network.

Deputy Bernard J. Durkan: I am delighted to have an opportunity to speak about this especially important item. We have been speaking for many years about postal services and alternative services that might readily be provided through the post office network, but there has not been a whole lot of progress. It is something in respect of which there was an obvious need for change. There was a need for change to move with the times and to face the threat coming from modern technology. I agree entirely with Deputy Eamon Ryan's analysis because An Post has a network throughout the country, which is a huge advantage. It has daily access to every locality in the country through the delivery service. It has counter services in place throughout the country. It is a considerable network. Somebody mentioned the number of couriers that are taking over and that is a question in itself. An Post has the network and could fill that void. An Post allowed that service to develop and could intervene. I know that it has similar services to a certain extent, but the fact is it is there to be delivered on.

We need to look for the compatible services that can be added to An Post through the utilisation of its counter services and national network. That can be done. Reference has been made to banking. I was never 100% certain that banking in the traditional sense was suitable to bolt onto An Post but certainly post office savings accounts and similar are. Rural transport has been referred to. I have spoken about this in the past. It could be linked into An Post. Again, there is a transport system An Post has to use to deliver correspondence, letters and mail throughout the country every day, so there are certainly opportunities there that could and should be utilised for the future. Considerable savings can be made if compatible services are identified for administration through the post office service throughout the country. Rural transport is one that comes to mind. We already have rural transport systems to a certain extent in certain parts of the country, but we often hear about the rural restaurant or pub which is dying for want of patronage. Of course, there is a simple way to deal with that. Provide rural transport and bolt it on if necessary to some of the services that are required.

Speakers have referred to mobile phone services and the fact that bills are now issued electronically. I am not so sure that this is necessary. It is a considerable irritant to many who cannot see a bill in their hands, in particular older people, and who get annoyed when they get a text to say their bill is due and should be paid. Incidentally, these are lucrative services that are being provided by mobile phone companies. Postmasters have first-hand experience of what might be suitable. We have mentioned some of the things about which they have spoken. The list is endless. One can go on and on and identify suitable services to attach to utilise counter services, the network services and the centralised system of An Post to great advantage both for An Post and communities, in particular rural ones.

I do not accept the notion that there is a plan by Government to close all the post offices and that this has been in offing for some considerable time. I drove past the post office on Thomas Street for a long time and there is a closed sign on it for many years now. I do not know who closed it but maybe they opened another one somewhere. The fact is that this has been going on for years. There is a problem where the postmaster or postmistress retires in a particular area and the position is not seen as attractive by anybody else. That has to be addressed. The means have to be found to ensure that a younger person or anybody else who takes over wishing to provide postal services in his or her area as postmaster or postmistress finds taking on the job sufficiently attractive. That is particularly so where there are rural enterprises that require regular postal services.

One of the things we seem to forget from time to time is a matter I have raised with my local authority recently. If we adopt a policy, as there is a tendency nowadays to do, of discouraging

18 January 2017

the building of any indigenously required houses in rural Ireland, we will eventually cease all development in rural areas and there will be no need for any services. I have spoken about this many times, as have others. It is fundamental to what we are talking about. If the population goes down, a number of things happen automatically. The number of rural schools comes under threat straightaway. That is the obvious thing that happens. Rural services generally, like dispensary services, all come under threat as a result. Decisions by planning authorities in each local authority area should have due regard to the need to try to accommodate, in keeping with good planning principles, the indigenous rural population which is encouraged nowadays to move to urban settlements. I am not sure why because no one has ever told me, notwithstanding the fact that I have been around this place for a long time. It is for economic purposes, of course, because the provision of services in dispersed rural areas is not economical. I can understand it might cost a little more, but it is not always possible to have the best of everything, the cheapest of everything and the most cost-effective of everything while also having a stable society.

One of the things we should always remember is that there has always been a rural community throughout this country. Professor Caulfield in Galway has spent some considerable time saying as much and calling for the recognition of that principle in recent years. As such, I note that this is also an issue and that it affects us in all parts of the country. Urban blight is another contributory factor if one looks at the number of premises throughout the country in towns and villages and even in this city which have been unoccupied and disused for years. That automatically has a negative impact on the requirement for services such as those provided by An Post. If we continue along those lines and build new replacements in new urbanised settings where population is concentrated, there will be no need for An Post or any rural services.

Other Members referred to driver licences. I would have thought it was an issue that should have been seized upon by An Post when the time came but that did not happen. It was a mistake and something that could have brought An Post back into the scene.

As long as older people are living in rural Ireland, quite a number of whom live in isolated places, there will be a need for a focal point where they can go to dispatch their utility bills. Such a service is in place but if post offices disappear, the service will not be available. There is a necessity to ensure we continue to maintain post offices throughout urban and rural Ireland.

Those who say it cannot be done should note it can be done, but we must be imaginative and think of the extra services that can be bolted on to An Post and which it could undertake to enhance, expand and extend the quality, content and value of the services it currently provides. This has had to be done in many other countries and continues to be the case. There is no end to the amount of innovation we can call upon to do the best we can in this area. They are a number of the options one can readily identify which need to be examined.

I compliment the Minister of State on introducing the Bill because it had to be done. While I understand what Members have said about the increase in the price of stamps dissuading people from using services, I am not sure that is the case. We have one of the cheapest postal systems in Europe in terms of stamps. It should not necessarily be that way and we have to have some recognition that we need to pay for some of things we enjoy. There is no use saying that we want everything for free and blaming somebody else when things do not happen that way. We should not expect things to happen that way.

If we are realistic and accept we must do something and that An Post has within its current

structure all of the means to deal with the situation and deliver an expanded, effective and efficient service throughout the entire country, we are on the right track. I hope this intervention has an impact on the operation of An Post. If it does not, and that becomes obvious after a short period of time, we should return to the coalface and do something before it becomes too late. The worst thing that could happen would be that nothing would be done and the system be allowed to wither on the vine. In that case, the post office network would become obsolete, which would be a tragic thing to happen. I am quite sure that private enterprises facing such a situation would find various means to replace services.

I extend my good wishes to the Minister, Deputy Naughten, and hope he will be back in the House soon. I hope he is fit and well and able to take up his duties once again. I also hope that, as a result of ensuring that the Bill is brought before the House at this time, it has the desired and necessary effect in terms of addressing the obvious issues relating to An Post.

Deputy Eugene Murphy: I wish to share time with Deputy Casey and others.

I join Deputy Durkan, the Minister of State and others in wishing my constituency colleague, the Minister, Deputy Naughten, a very speedy recovery. I have been in contact with him by text and he has been in contact with me. He appreciates all the good wishes and is making a slow recovery. It was quite a frightening experience for him and his wife. We all wish him well. Táim cinnte go mbeidh Denis ar ais sa Teach seo i gceann cúpla seachtain. That is what we all hope.

While this debate is one we probably would prefer not to have, it is necessary. It is necessary for those of us on the side of the House to support the Government, albeit reluctantly, because nobody wants charges to increase. We have to consider the consequences of what may happen if we do not.

The Bill is very much a stopgap move. Every Member of the House, in particular those who have spoken against what is being proposed, needs to realise the consequences of what we could face within a couple of months if we do not make the tough decisions that have been proposed regarding increasing charges.

The post office service could collapse. What would that mean? It would mean a number of post offices would close and workers would lose their jobs. It would probably mean that there would be a reduced postal service. We are very fond of having our post delivered every day but if An Post runs into a deeper financial crisis, there is every possibility that we would have a very much reduced service. It may not be the most popular thing to do, but the reality is that it is a necessary move at this stage.

This crisis has built up over a number of years. During every debate on the closure of a post office, I emphasised the importance of technology. We cannot and do not want to stop technology but the reality of what has happened to the post office service is, in many respects, a case of technology taking over.

Before Christmas I asked the Taoiseach about the state of the postal service. I expressed concern at the time and asked whether the Minister, Deputy Naughten, the Minister, Deputy Humphreys, or the Minister of State, Deputy Ring, had responsibility in this area. One Minister should have such responsibility. I also said that unless something was urgently done, the service could collapse and that would be serious for many parts of the country.

18 January 2017

I conducted a survey of a class of about 78 students from a local secondary school. I found out that only one out of the 78 students use the post office. All of the younger generation use technology. They are not posting letters; everything is done electronically. That is the reality. We should have seen this coming many years ago and built up new services in post offices. There was no way that every rural post office would maintain a service. The reality was that some would close. We could now face a very difficult situation whereby many more would close because of what has arisen.

The sorting of post, which took place at county depots, has been regionalised, which was the wrong move. Many people in business tell me that the postal service is no longer as efficient. Was that a bad move? In addition, there was a deliberate policy of trying to take people away from dealing with social welfare payments in post offices. The policy may not have been trumpeted but nothing encouraged people to continue to conduct their social welfare business in post offices. The banks became involved, which was a pity.

We need to ensure that in towns where banks have closed and no credit union is available, post offices are maintained and allowed to provide banking services. It is really important for such towns that banking services are kept in place.

I will hand over to my two colleagues shortly. Supporting this action is not the most popular thing to do but my party and I recognise that this is a critical situation. While the proposal is to increase the charges significantly, as I stated, we have to consider what might come down the road in the short term if we do not act now. We all know and accept that a massive reorganisation is needed in An Post. The McKinsey report is due out in June and I am sure there will be a lot of food for thought in it, but in the meantime we must try to save as much as the post office service as we can. No doubt, however, in the coming months a number of post offices will close.

Deputy Pat Casey: I also send my best wishes to the Minister for Communications, Climate Action and Environment.

This is the first urgent Bill to assist in the people's legitimate desire to see An Post survive, adapt to a changing world and continue to provide its crucial services to all. As such, it is to be welcomed even if its effect will see the cost of certain services rise. The urgency of the Bill, while welcomed, has not been accompanied by urgent Government action in the retention of postal services for all the people. I note that another purpose of the Bill is to give An Post further remit as the universal service provider of postal services, which again is laudable. However, any reasonable person looking at the Bill, which claims to enable An Post to be a universal postal service regardless of geographical location, will probably be very puzzled, as was I. Perhaps I am wrong. However, An Post providing a universal postal service, regardless of geographical location is a fine statement that is similar to the language the new President-elect uses. It does not stand up and is simply not true to reality.

While we are talking about protecting this universal service provider, regardless of geographical location, An Post is closing rural post offices throughout Ireland. Just before Christmas, when I should have been expecting a Christmas card, I received a telephone call from An Post. It informed me that my local post office in Laragh-Glendalough would be closing in January. This was shocking enough but, when we look at it further, the decision does not make any commercial sense. Laragh has had a post office for more than 150 years. The reason it has had a post office for this length of time is that Laragh is located beside one of Ireland's oldest

and most popular visitor attractions, the monastic city of Glendalough and the spectacular valley that surrounds it. Laragh is a small village in Wicklow that happens to receive 1.5 million visitors a year. It is worth repeating that An Post is about to close the post office in Laragh, where there are 1.5 million potential customers a year. Most businesses I know would break their necks trying to get access to such a potential market but An Post decides to close the post office and to do so over the Christmas period in order that nobody will notice.

The people of Laragh and Glendalough noticed and I commend them for their swift actions in defence of the service. When I arranged a meeting with officials from An Post, I was told that it was surprised at the lack of feedback from the public during the consultation period. Not one submission was received. I informed them that this was because the public had not been consulted and that this reason alone should delay the decision. The post office in Laragh should be an example of how the Government is listening to the people and attempting innovative flexible solutions while taking advantage of the unique opportunities that this rural Wicklow village offers. When it comes to political leadership on this matter, however, it seems that the Department believes that the Minister for Arts, Heritage, Regional, Rural and Gaeltacht Affairs is in charge because of the rural post office network group that is co-ordinated from the Department. Confusion when it comes to political leadership is dangerous.

The Government continually talks about listening to the concerns of rural Ireland and responding with actions, but its fine intentions will mean nothing if rural post offices continue to close. If An Post management cannot find the business sense and, dare I say it, the cop-on to see the opportunities that lie in Laragh, what credibility will any promise to protect rural post offices in other parts of Wicklow or, for that matter, Ireland have? All the Ministers involved in this area of policy are rurally based Deputies. They know as well I do the value of the rural post office. If An Post will not act, I implore the Ministers to act to ensure An Post implements the actions in the Kerr report immediately and prevents the closure of viable rural post offices such as that in Laragh.

As a community, we are now asking the Minister to ask An Post to postpone the decision to close the post office in Laragh, to allow time for consultation which did not take place and discussion with all interested groups, to afford Laragh the opportunity to demonstrate how vital the post office is in our community, and to allow the obvious potential of a post office in Laragh to be explored and enhanced. If Laragh cannot retain a post office when it has 1.5 million potential customers, two hotels, five retail shops, two restaurants, 30 bed and breakfast establishments, additional seasonal commercial activity, a community centre that has won awards for innovation and is a model of how social enterprise can work and an expanding school, what hope is there for any rural post office?

Deputy Fiona O'Loughlin: I also wish the Minister, Deputy Naughten, a speedy recovery.

When I was growing up in Rathangan, County Kildare, one of the great institutions in our small village was not just the post office but the postmistress. She was a wonderful woman named Mollie Forde. She was a friend to everyone who supported everyone, young and old, and always gave advice and help where she could. There were queues both inside and outside the post office for all the services she provided. She knew everyone well enough to know when someone turned 18 and were to be placed on the electoral register. She provided that social service. Sadly, Mollie is no longer with us but, thankfully, the post office remains. I would hate to see or envisage Rathangan or any similar village or town not having the services of a post office.

18 January 2017

In Ballymore Eustace, County Kildare, Sean Fogarty runs an absolutely thriving business. He had to diversify, be creative and look beyond the common to be able to provide the post office service he provides. A few miles up the road we have the post office in Twomilehouse. This great example of a rural post office was run for 50 years by Jim Valentine and his wife, Abina. Jim's mother was the postmistress before him, since 1938, which is almost 80 years ago. That post office and small shop operated from 7.30 a.m. every day for as long as anyone in the locality could remember. The kitchen table was the sorting end of the business. Coming up to Christmas, the Christmas cards would be laid out by county and the turkeys were brought in for Abina to send to England and further afield. Quite often, she had to kill the turkeys herself. That was the process many years ago. Sadly, just before Christmas the Valentines retired and the post office network put the business out for tender. However, no offer has been made yet. This relates to the fact that small rural post offices now operate for less than the equivalent of the national minimum wage. As such, they are not viable business propositions, but the whole community is losing out on a vital service. Places such as that of the Valentines, Sean Fogarty and the post office in Rathangan have played a vital social and economic role in the communities they serve. We need to acknowledge that with a reduced income and footfall, the future of this type of post office is in danger.

The Grant Thornton report states we are at risk of losing between 450 and 500 of our 1,300 post offices by the end of this year if the situation is not properly addressed. The report also reminds us of the intangible benefits provided by post offices. They include the significant trust and goodwill the post office network has developed far and beyond its capacity with its customers, the role of the local post office in social inclusion and in acting as a conduit for two-way information flow and of caring and the knowledge that postmasters and their staff possess about elderly, vulnerable and often isolated customers.

We need to act now to reverse the worrying decline of the post office network. While I do not necessarily agree with removing the bar on having a cap on the price of stamps, unfortunately, if it is the only step we can take now to sustain the network; it is what we must do. We must also introduce other measures, however, and engage in fresh thinking on this issue. I agree that a working group should be established to identify the potential capacity for local post offices to act as hubs, facilitate other services and function as one-stop shops for other Government services such as those on which commitments were given in A Programme for a Partnership Government. The payment of motor tax, for example, and other Government services could be facilitated through the post office network, as could the extension of social protection payments. We often hear of older people who do not have computer facilities or skills. The post office must be able to do this type of work as part of its remit, including by providing printing facilities.

To secure the long-term future of the postal service and maintain an active post office network, we need to introduce a broader range of resources and measures. The network is a vital asset, especially given the scope of the network and the number of people who work in it. Post offices must remain part of the Irish cultural identity. As well as their many practical uses, they serve as strong focal points for communities. It is vital that we defend this key national resource. If the measure proposed in the Bill is a short-term solution while other measures are considered, so be it.

Deputy Aengus Ó Snodaigh: Ba mhaith liom a rá go bhfuil mo bhean chéile ag obair don Phost agus suas go dtí le déanaí, bhí mo dheartháir céile agus a bhean ag obair don Phost chomh maith. Mar sin, tá tuiscint éigin agam ar cad atá i gceist nuair atá daoine ag caint faoi sheacha-

dadh nó bailiú an Phoist agus seachadadh litreacha timpeall na cathrach seo ach go háirithe. Tá sé rí-thábhachtach go ndéanfaimid cinnte de go mbeidh an tseirbhís seo fós ar fáil amach anseo. Tá dainséar mór ann dó, ach go háirithe toisc an t-athrú atá tar éis tarlú le deich mbliana anuas ach go háirithe. Ba léir go raibh sé ag tarlú fiú roimhe sin. Ach go háirithe toisc an idirlíon, le cúpla bliain anuas tá athrú suntasach thar cuimse tar éis teacht ar dhaoine ag scríobh litreacha agus daoine ag cur billí, nuachtán, leabhar agus a leithéid sa phost, ní hamháin in Éirinn ach thar lear.

Ní gá ach smaoineamh ar cad a tharla ag aimsir na Nollag. Cé mhéad daoine sa Teach a bhfuair téacs ag guí beannachtaí na féile orthu? Roimhe seo, bhí sé sin ar fad déanta i gcártaí Nollag agus cuireadh timpeall sa phost iad. Nuair a thoghadh mé ar dtús, bheadh an-chuid de na Teachtaí ag cur 2,000 nó 3,000 cárta Nollag amach ag gabháil beannachtaí na féile dóibh siúd a thogh iad. Níl sé sin ag tarlú ag an leibhéal sin a thuilleadh, seachas in áit nó dhó. Tá sé soiléir anois go bhfuil daoine tar éis athrú ar mhodhanna eile: an téacs, an ríomhphost, nó fiú fógra sa nuachtán áitiúil. Feictear go leor de sin. Dar ndóigh, déanann muid ar fad cártaí a chur chucu siúd atá gar dúinn, chuig gaolta agus cairde ag amanta áirithe. Ach, don chuid is mó, ní fheiceann mise go bhfuil an líon céanna cártaí - cártaí lá breithe, cártaí Nollag, cártaí Cásca nó cartáí ag amanta eile - á scríobh. Níl aon oiread céanna litreacha á scríobh. Ní hé nach bhfuil daoine ag déanamh comhfhreagrais lena chéile, ach níl siad á dhéanamh sa bhealach a rinne siad é deich nó 20 bliain ó shin nó le na céadta bliana anuas trí chóras poist éigin.

Tuigimid agus glacaimid leis go bhfuil gá le hathrú suntasach sa slí atá An Post rite agus sa slí a mbeidh an obair atá roimh An Post le déanamh amach anseo. Measaim nach féidir le haon chomhlacht leanúint ag sileadh airgid sa slí atá ag tarlú. Is léir ó na tuairiscí ar fad gur thuig siadsan a dhein na tuairiscí sin agus a dhein an fiosrúchán ar conas an Post a tharrtháil nó a shlánú go raibh fadhb ann. Is trua nach ndearna na Rialtais roimhe seo, ní an Rialtas seo nó an Rialtas deireanach fiú, ach b'fhéidir an ceann roimhe sin arís, gníomhú de réir an méid a bhí os ár gcomhair ag an am sin. Chuala mé roinnt de na Teachtaí níos luaithe ag rá gur chóir go mbeadh an Rialtas seo ag bogadh i dtreo an electronic fund transfer. Is cóir, ach ba chóir go ndéanfadh Rialtas Fhianna Fáil é chomh maith céanna tamall maith de bhlianta ó shin. Bhí mise ag ardú na ceiste sin tamall de bhlianta ó shin, chomh maith le Teachtaí eile sa Teach seo. An fhadhb a bhí ann ná nach raibh ceannaireacht an Phoist ag an am sásta bogadh sa treo sin agus fós tá an cuma air nach bhfuil siad sásta bogadh ar cheann de na mór-rudaí a chuideoidh leo i gcinneadh a dhéanamh ar fhéidireacht an Phoist maireachtáil nó gan mhaireachtáil.

If An Post cannot move on electronic fund transfers by facilitating all electronic financial transactions in the same way that banks and all other financial institutions can, the minor changes being introduced in the Bill, with which I do not agree, are doomed. Every other financial company, including a number owned by the State as a result of the financial crisis, is able to process financial transactions. EU directives prevent the Government from transferring all of its funds, whether grants to farmers or payments to social welfare recipients and community employment and Tús workers, through the postal service because the service does not have the facility to avail of this substantial wad of money which could be transferred through its system, obviously at some cost. This is a first and long overdue step that should have been taken, not by this Government or its predecessor, but much longer ago. If it were taken, a Government could take a decision to provide for all financial transactions other than international transactions to be made through the service delivered by An Post, a State company. This is an example of strategic thinking. This step would not involve a Government subsidy and, as such, it would not breach the EU rules on Government subsidies. It would be a commercial decision.

18 January 2017

This scale of payment would be one way of keeping An Post afloat. The Irish Postmasters Union has been lobbying for this measure for a long time, especially during the term of the previous Government when the then Tánaiste and Minister for Social Protection, Deputy Joan Burton, tried to move as many social welfare payments as possible from the postal service to the banking system. She blamed An Post and the European Union but was eventually persuaded by Deputies to back off on some of her proposed changes.

10 o'clock

The Department went as far as to change the application form for social welfare payments such that the first port of call was to ask recipients if they had bank accounts and then at which post offices they wished to receive their payments. This showed the attitude at the time. This is a simple although costly move for An Post which could save it money and help it to diversify into areas that could sustain it.

There are challenges facing An Post. As I said, my wife works for An Post delivering post or in the registration office sorting post, depending on what duty she is on in a particular week. As such, I have an understanding of this matter. I also have a brother-in-law who delivers post in Rathmines and a brother whose wife sorts post in the mail centre on the Nangor Road. I am well aware of the collapse in the volumes of mail in recent years. The workers have taken the hit resulting from that decline. In Dublin, delivery routes have been almost doubled at this stage, albeit those who deliver the post have less post to deliver but they have to go further. What they have found very interesting in the past number of months in particular is the huge increase in the number of parcels they have to deliver because people are buying online. This post is more bulky. I heard Deputy Eamon Ryan and other speakers state we were missing an opportunity in this regard. We are missing a huge opportunity because An Post sold off Ireland On Line, IOL, in 1999. Despite the fact that the latter had made a profit every year since it was purchased by An Post, which was two years after it was founded in 1992, An Post sold it to Esat Digifone at the encouragement of then Minister, Deputy Lowry. That is in the past, but it shows that decisions made then undermined the future viability of An Post, the consequences of which we are suffering. I believe it is now too late for An Post to start competing for Internet services, but it can make strategic links with the companies delivering these services.

Increasing the price of stamps, as is proposed in this legislation, in the absence of any other action, is pointless and could be severely damaging to the company. If this action was attached to a timetable for delivery of the recommendations outstanding from the Grant Thornton report and the Bobby Kerr report, I could understand it. While it is a first step it is only one step because we do not have a guarantee in terms of when the other changes which may help might come about. When I worked in Bord na Gaeilge, part of my job was to ensure the mail was franked every day and then delivered to the post office for sorting. As the cost of postage increased, an instruction was given by the board, which was a State company, to reduce postage expenditure by using courier services for the delivery of post in the city. People will be aware of the huge increase in the number of courier services in recent years. I am sure that as postage charges increase most small companies that are struggling will look again at whether they should continue to avail of the services of An Post to have their leaflets, fliers and so on delivered. This is one of the areas wherein there is still a lot of post. If there is an increase in the cost of postage for magazines, regular monthly newsletters - known in An Post as "flats" - calendars, Argos catalogues and so on, which we all receive in the post, the companies involved will weigh up whether it is worth doing business with the An Post. People will remember phone books. The decision to no longer deliver them resulted in a loss of business for An Post.

As I said, a number of services will transfer to other providers. Some companies are already gearing up for competition with An Post in terms of delivery, including CityPOST. Thankfully, although regrettably for many people who did not get their parcels for Christmas, Parcel Motel has struggled to compete with the postal service. It is a pity people did not stick with the services provided by An Post. Had they done so, it might have put some extra money into the company's coffers.

As stated, I do not believe increasing postage charges will stem the dwindling mail loads. The most logical port of call would have been for the Minister to first bring the other alternatives before this House and, if they did not work, to then increase the postage charge. A post office in my own area closed before Christmas. I have heard what other Deputies had to say about the closure of rural post offices. The same is happening in many small villages in Dublin. It is the elderly people who cannot get a bus to the next nearest post office and who are obliged to walk to it who are struggling, although the advantage in Dublin is that the next nearest post office will be only a mile away in most cases. However, it is still very traumatic for people when their local postmaster or postmistress retires and somebody else gets the contract. There is no logic to this when it is economically viable for stores such as Centra to take on the service. Many of these stores are willing to take on the service, yet licences are being transferred to other post offices.

People will continue to write letters into the future, although, perhaps, on a less frequent basis. I recall that 20 years ago people were talking about the demise of the print media. Most people still prefer to read the newspapers or books in paper format. The same will apply in terms of cash. People will still want cash. There are many places in the world where one can purchase services via a mobile phone. An Post needs to get real, and very quickly, in terms of how society is changing. The Government must instruct An Post to fast-track its proposals around electronic funds transfer. Had it done so already, we would not be here taking the lazy option of increasing postage charges as a first measure.

I mentioned the timeframe for other measures. Perhaps the Minister of State, Deputy Kyne, will tell us the status of the other proposals and indicate when they will be brought before us and when they will be implemented, or if there is any difficulty around their implementation. I am not as familiar with what is happening in this regard as are Deputies who attended the committee yesterday. Perhaps there are practical reasons why these recommendations cannot be implemented. I cannot understand why in this day and age we are allowing a company like An Post to struggle in the context of the opportunities available in this area.

The cap introduced in 2011 was supposed to encourage An Post to make efficiencies and diversify. It has obviously failed to do this because we are here again seeking to increase the price of stamps without having taken all of the other steps proposed.

Part of the universal social charge obligation is the provision of a minimum service. It would be interesting if some community took a case in this regard because I presume part of the service is a post office. If the post office is not in existence, is An Post in breach of its universal service obligation? I remember Mr. Pat Cox saying way back how great the universal service obligation was in regard to telecommunications services because some rural area in Ireland took Telecom Eireann to task in Europe because the company had got rid of the telephone boxes, long before the mobile phones took over. The company was forced into not getting rid of them because their provision was part of the universal service obligation.

18 January 2017

There is obviously a service obligation on An Post to deliver a minimum service. It is not just about the delivery of letters to one's door every single day. Years ago, there were two deliveries in this city every day, in addition to a delivery on a Saturday and a Sunday. People need to think about this. If An Post is going down the route of minimising and reducing the level of service, perhaps people could determine whether its doing so is contrary to the universal service obligation that the Government has signed it up to and enforced upon it. This obligation was a good idea, but at this stage An Post needs to live up to its commitment to the people.

Minister of State at the Department of Communications, Climate Action and Environment (Deputy Seán Kyne): I thank all the Deputies who contributed to the debate. A considerable number have contributed to the debate on this very important Bill and stayed throughout. The comments made are reflective of the high regard people have for An Post, the work it does, its workforce and its role in rural communities throughout the country and also urban communities, as pointed out by a number of Deputies.

A number of Deputies have expressed the view that they cannot support the Bill for a variety of reasons. Clearly, none is doing so with a wish to see An Post collapse or run out of money or to see workers not being paid or services withdrawn, but the consequence of not supporting what is effectively emergency legislation to ensure An Post can continue to pay its workers and perform its duties has to be acknowledged. As pointed out in my contribution and many others, the mails business is undergoing a profound structural change, both here and abroad. Electronic substitution has had a significant impact on the letters business. We have seen the downward trend which is expected to continue, particularly for large volume postal customers such as banks and utility providers. Clearly, there are opportunities in the parcel business, as pointed out by a number of Deputies.

I wish to comment on the role of the Department of Communications, Climate Action and Environment regarding An Post. The Department is responsible for the postal sector, including the governance of An Post, to ensure the company is fully compliant with the code of practice for the governance of State bodies and governance functions included in the statutory framework underpinning An Post. Following a Government decision earlier this year, responsibility for the post office network and the Kerr report and associated matters transferred to my colleagues in the Department of Arts, Heritage, Regional, Rural and Gaeltacht Affairs.

Debate adjourned.

The Dáil adjourned at 10.15 p.m. until 12 noon on Thursday, 19 January 2017.