

DÁIL ÉIREANN

AN ROGHCHOISTE UM AIRGEADAS, CAITEACHAS POIBLÍ AGUS ATHCHÓIRIÚ, AGUS AN TAOISEACH

SELECT COMMITTEE ON FINANCE, PUBLIC EXPENDITURE AND REFORM, AND TAOISEACH

Déardaoin, 16 Feabhra 2017

Thursday, 16 February 2017

The Select Committee met at 11.10 a.m.

MEMBERS PRESENT:

Deputy Michael D'Arcy,	Deputy Enda Kenny (Taoiseach and Minister for Defence).
Deputy Pearse Doherty,	

DEPUTY JOHN MCGUINNESS IN THE CHAIR.

Estimates for Public Services 2017

Vote 1 - President's Establishment (Revised)

Vote 2 - Department of the Taoiseach (Revised)

Vote 3 - Office of the Attorney General (Revised)

Vote 4 - Central Statistics Office (Revised)

Vote 5 - Office of the Director of Public Prosecutions (Revised)

Vote 6 - Office of the Chief State Solicitor (Revised)

Chairman: We are to consider the 2017 Revised Estimates for public services for the Taoiseach's group of Votes. I invite the Taoiseach to make his opening statement.

Taoiseach and Minister for Defence (Deputy Enda Kenny): I welcome this opportunity to appear before the Select Committee on Finance, Public Expenditure and Reform, and Taoiseach. The committee has a copy of my statement, which covers Votes 1 - 6, inclusive: President's Establishment; Department of the Taoiseach; Office of the Attorney General; Central Statistics Office; Office of the Director of Public Prosecutions; and Office of the Chief State Solicitor. The net Estimates for 2017 are as follows: the President's Establishment - €3.9 million; Department of the Taoiseach - €36.75 million; Office of the Attorney General - €14.9 million; Central Statistics Office - €48.58 million; Office of the Director of Public Prosecutions - €40.68 million; Office of the Chief State Solicitor - €32.34 million.

The committee had a detailed briefing last week on Votes 1 - 6. I will now outline briefly the proposed 2017 Estimate for the Department, I will highlight some work that was carried out in 2016 and I will detail some of the Estimates for the 2017 President's Establishment, the Office of the Attorney General, the Office of the Director of Public Prosecutions and Office of the Chief State Solicitor. While I have certain responsibilities to the Oireachtas in respect of administrative matters in these Offices, they operate independently of my Department. The Minister of State, Deputy Regina Doherty, Government Chief Whip, will outline the 2017 Revised Estimate allocation for the Central Statistics Office and will take any questions relevant to that Vote.

I am joined today by the following officials from my Department: Ms Elizabeth Canavan, Ms Geraldine Butler and Ms Amanda Reilly of the finance unit in the Department of the Taoiseach.

ach. At the outset it is important to acknowledge a member of my staff. The Chairman himself probably knew Lorcan Fullam. He was the former Irish ambassador to Tanzania and returned to Ireland to work at the Department of the Taoiseach. At 49 years of age he was a married man with three young children. He is being buried as we speak. He is a great loss to this Department and many of the officials are very upset. I spoke with Lorcan just five or six weeks ago. He had cancer and was unable to come out from it. I apologise for the absence of the Secretary General of the Department at today's meeting who, along with a number of others, were all anxious to attend his funeral, which is happening as we sit here.

Chairman: We join with the Taoiseach in offering our sympathies to the family. I had not been aware of the circumstances.

The Taoiseach: Lorcan Fullam was a very fine individual. I attended many meetings with him in Brussels. He had a detailed knowledge of his brief and was a first class public servant. I will call on his wife when I can. The Secretary General is absent from today's meeting for that reason.

Vote 1 is the 2017 Revised Estimate for the President's Establishment is €3.9 million. It includes €2.6 million for pay and administration, with the balance to fund the payment of a bounty to centenarians' bounty. It is estimated that approximately 430 centenarians will receive the bounty in 2017.

Vote 2 Revised Estimate for my own Department is €36.7 million. This includes €17.9 million for administration costs. The primary role of the Department of the Taoiseach is to support me in my executive functions as Taoiseach, to support the Government, and to oversee implementation of the programme for Government. A number of Ministers of State are assigned to the Department: the Government Chief Whip; the Minister of State for European Affairs with responsibility for EU digital market and data protection; the Minister of State with responsibility for diaspora affairs; and the Minister of State with responsibility for defence.

An important part of my Department's work is providing a secretariat for meetings of the Government and of Cabinet committees, each of which I chair. The committees are on infrastructure, environment and climate action; the economy, trade and jobs; housing; social policy and public service reform; health; justice reform; arts, Irish, the Gaeltacht and the islands; regional and rural affairs; European affairs; and most recently the Brexit committee, which is a cross-Government committee.

Committee members have received a detailed brief covering the 2016 outputs and expenditure for each area of my Department in 2016, as well as details of the 2017 Estimate provision. I wish to comment on the 2016 commemoration events. My Department was responsible for co-ordinating the 2016 centenary State commemoration programme, which was a cross-Government initiative to stimulate debate and discussion about 1916; and to ensure a strong, varied and respectful programme of events throughout the year across Ireland, North and South, and globally in America, Britain and other places, to mark the centenary of 1916. The Department also took the lead in the organisation of a number of State ceremonies, including the 1 January 2016 flag-raising ceremony. It was an appalling day weather wise at Dublin Castle and it is why I remember it so well.

The State ceremonies also included the Easter Sunday wreath laying ceremony in Kilmainham Gaol, which was extraordinarily emotional. The ceremonies also included the Easter Sunday ceremony at GPO and the parade; the Easter Sunday State reception in Dublin Castle; the

inter-faith ceremony at Glasnevin Cemetery remembrance wall; and the 100th anniversary of the battle of the Somme. The success of the commemoration programme was the culmination of many months of hard work and careful planning across a range of offices, Departments and State agencies. The staff of my Department are very proud that they played a central part in the organisation of these events, and in ensuring that they reflected the inclusive and respectful tone which the Government set out to achieve as non-partisan, broad, comprehensive and inclusive as possible. I saw the pride in people's faces at first-hand when I presented those involved in the commemoration programme with the civil service excellence in innovation awards at the end of 2016. This award was very much deserved.

Looking ahead to the decade of centenaries programme in which my Department's involvement is ongoing, this programme seeks to be a measured and reflective way to commemorate significant events that shaped the history of the island of Ireland, events which led to more sensitive and difficult positions arising from the War of Independence, to the Civil War and up to the 1920s. In addition, my Department - through the vehicle of the Cabinet committee on arts, Irish, Gaeltacht and the islands - will oversee the implementation of a new programme called Creative Ireland. This is a five-year initiative, from 2017 to 2022, building up to the centenary of the establishment of the Free State, which places creativity at the centre of public policy. For the centenary celebrations every community around the State, irrespective of where they were - children, secondary school children, young adults or older people - all came together in different programmes be it around plays, poems and stories about the Proclamation, the Constitution and connections with 1916 through family. This was evidence that there was a great deal of creativity and imaginative value among all those who were involved. The Government now wants to place that at the centre of public policy. This is why the Creative Ireland programme is being brought about. It is a high level, high definition, whole-of-Government initiative designed to mainstream creativity in the life of the nation so that individually and collectively, in our personal lives and in our institutions, we can realise that full creative potential, which is extraordinary. In America, Britain, Europe and Australia they value the difference that Ireland brings when they add in this element.

My Department also wants to ensure implementation of programmes in health, education and other public services as outlined in the programme for Government in 2017 and beyond. We will look to ensure that the position of vulnerable groups in society is taken into account as the economic recovery continues, that the benefits of recovery and progress are felt across all sectors of society, and that there is an effective cross-Government response to the Departments where this applies. There will be a focus on providing a safe and supportive environment for children, families and older people, including through reforms in the areas of housing, social services and the justice system.

Addressing the housing challenge is a big priority for Government. Our Action Plan for Housing and Homelessness, published in July, sets out 84 time-bound actions. This is to shift the emphasis to deal with homelessness, people who sleep rough, voided units, locked up buildings, the provision of social housing and private housing with a major programme in the commercial end also.

We are committed to delivering increased supply of affordable, quality and accessible housing, increasing housing construction to 25,000 new homes per year by 2020 and addressing the homelessness crisis. We have committed more than €5 billion to deliver 47,000 social housing units and €200 million for a local infrastructure fund to unlock private development. This applies where sites cannot be accessed because a new bridge, road or similar changes are needed.

In addition, a strategy for the rental sector was published in December. While the plan is overseen by the Minister for Housing, Planning, Community and Local Government, Deputy Simon Coveney, implementation is a whole-of-Government effort overseen through regular meetings of the Cabinet committee on housing, which met 13 or 14 times last year.

I also chair a ministerial task force to support the long-term economic and social regeneration of the north inner city of Dublin. I asked Mr. Kieran Mulvey to engage with local community groups and representatives and prepare a report with specific recommendations to support the area's regeneration. I will launch the report later today. Multiple gangland murders have taken place in the north inner city, an area I have visited many times. Neighbourhoods that have been neglected and forgotten will be brought back into the mainstream. Many communities have been doing extraordinary work but this work needs to be co-ordinated and some major developments must be followed through, including Rutland Street school and Fitzgibbon Street Garda Station. A number of other facilities will also be brought back into regular use.

My Department works with the interdepartmental agency group to co-ordinate the input of the two Governments on the island in the bid to secure the hosting in Ireland of the Rugby World Cup in 2023. This has required an extraordinary if costly effort, although moneys spent will be recouped through ticket sales if we win the right to host the tournament. I visited Páirc Uí Chaoimh the other day, where work is under way and will be completed by mid-June. The new stadium, which will have 50,000 seats, will be ready in mid-July and available for the Rugby World Cup.

The underlying economy grew strongly in 2016, with growth in consumption, strong tax receipts and labour market developments all confirming robust and broad based growth. Importantly, unemployment has fallen to 7.1%. While growth of more than 3% is expected in 2017, as the Government is aware, the external environment remains particularly uncertain owing to Brexit and other factors. Yesterday, I announced 500 jobs in Dublin with a multinational company and a further 500 jobs will be announced tomorrow. The line of investment into the country is strong. The emphasis, therefore, remains on maintaining a prudent and sustainable approach to management of the economy, with a focus on competitiveness and resilience, particularly against the backdrop of Brexit, on which I issued a long statement yesterday. The Competitiveness Council will carry out an analysis for the Government on areas on which it will be necessary to focus to remain competitive.

There are more than 2 million people at work, which reflects the focus the Government has maintained on the need to create and sustain jobs across sectors and in every region. Notwithstanding perceptions, all regions have experienced economic growth. The Minister for Jobs, Enterprise and Innovation, Deputy Mary Mitchell O'Connor, has issued a direction that 135,000 of the 200,000 jobs to be created by 2020 are to be in the regions.

We launched the Action Plan for Jobs for 2017 on 1 February. The action plan identifies 164 specific actions to be delivered in 2017, with a target of an additional 45,000 jobs this year. My Department will continue to play a central role in overseeing its implementation to ensure commitments are delivered on time and in full. We publish updates on a quarterly basis and our track record in this regard has been good, with more than 90% of promised measures delivered in 2016.

My Department also supports me in a strategic programme of international engagement, with a focus on driving job creation, sustainable economic development, trade, tourism and investment. I will travel to Washington in March for the St. Patrick's Day celebrations to con-

tinue to protect and promote the strong links between the Irish and American peoples. This is symbolic of the contribution Irish people made to America for one and a half centuries. We want to build on our links with America and speak directly to the US President on a number of issues, especially the issue of the estimated 50,000 undocumented Irish people living in the United States. I will raise these issues with the US President when I have an opportunity to do so.

This year will also be an opportunity to apprise the new US Administration and Congress of issues of Irish interest, including immigration reform and the Northern Ireland peace process, and reaffirm our long-standing relationship based on shared values of democracy and the rule of law, as well as economic and historical ties. Many members of the new Administration have Irish connections and I would like to explain to them our tradition and particular circumstances.

Brexit is also a major issue. As Britain prepares to leave the European Union, we face the most complicated and difficult negotiations we have had since 1939. The Government has been preparing hard for the issue. The 2014 national risk assessment co-ordinated by my Department was one of the first publications to publicly identify Brexit as a strategic risk to Ireland, a fact picked up in international media coverage at the time. In 2015, a dedicated unit was established in my Department to consider issues arising for Ireland in the context of the referendum and to develop contingency plans. Important changes were also implemented in other Departments and agencies, with additional resources provided in key areas. Since the referendum result, intensified analysis and option planning has been carried out across a number of areas and extensive stakeholder consultation is ongoing at sectoral and all-island level. The second all-island civic forum will take place tomorrow and on Friday. These engagements have been worthwhile. With an election campaign taking place in Northern Ireland, there is no Executive in place and many sectors, including transport, logistics, agriculture and hospitality, are all very pleased to be able to take part in the sectoral discussions and express their views on how Brexit will impact on them.

We established a Cabinet committee, which I chair, to oversee the overall Government response to Brexit, including both the economic impact and the negotiations at EU level and with the Administrations in London and Belfast. I have also restructured divisions in my Department to ensure Brexit is treated as a crucial cross-cutting issue. Some issues are incredibly difficult and the agriculture sector is of primary importance to us. I met fishermen the other evening and the Common Fisheries Policy is exceptionally complex. One cannot remove one section and expect to trade it, just like that, for another. If Britain were to leave the EU in a hard Brexit, we would face a very difficult scenario in terms of fishing quotas and opportunities.

The Department created a newly amalgamated international, EU and Northern Ireland division under a new second Secretary General. The work of this division includes supporting the Cabinet committees on Brexit and European affairs. Work on Brexit is also supported by the Minister for Foreign Affairs and Trade, Deputy Charles Flanagan, whose Department has a greater role in EU matters, with a newly created EU division and the existing division dealing with Anglo-Irish affairs both having important roles to play.

Across government, relevant Departments and agencies are working on Brexit and a number of them have been strengthened to deal with the issue. IDA Ireland and Enterprise Ireland have received additional staff and trade elements have been provided for diplomatic services. Last week, for instance, I opened a Bord Bia office in Warsaw to complement the work of the ambassador and Enterprise Ireland. We have many opportunities to secure further expansion for Irish food businesses in the eurozone and in other EU countries. In my address to the In-

stitute of International and European Affairs yesterday, I underscored that the decision of the UK to leave the European Union presents significant challenges for Ireland, more so than for any other member state, owing to the closeness of our relationship with the UK and, in particular, our joint commitment to the peace process in Northern Ireland. The Government's core objectives in this area are to minimise impact on trade and the economy; protect the Northern Ireland peace process; maintain the common travel area; and influence the future direction of the European Union.

The Government is very aware of the potential economic opportunities that may arise for Ireland, including in terms of mobile investment. Significant interest has been expressed from firms in London which are considering Ireland and a number of other locations as possible locations for a move. Many of these companies will not wait for Brexit negotiations to conclude before making a decision to move to a different location.

We also have a great interest in attracting the European Medicines Board and European Banking Authority to relocate here. The former is responsible for bringing approximately 50,000 bed nights per annum to London. Ireland ticks a number of boxes and would be a credible location for both agencies. However, we are competing with ten or 12 countries to attract them. Given that Ireland is an English speaking country in the Single Market with connectivity to London which offers a similar environment to other countries, we have a good opportunity. Approval has been given for the international school for Baccalaureate achievement, which is of importance to people from abroad who live and work here and have children.

We are under no illusion in respect of Brexit. The critical negotiation priorities have been identified and the programme of dialogue will continue intensively and vigilance and engagement on economic risks and challenges will be maintained. Economic opportunities for this country will be pursued vigorously. Engagement with other member states and EU institutions will intensify. Ireland will negotiate from a position of strength, as one of the 27 members firmly in and committed to remaining in the European Union, and we will participate fully in the discussions on the future direction of the European Union. This started at the discussion in Malta. There was a discussion among the 27 on the future of Europe, the digital market, digital single market, and other programmes that are laid out by the President's report up to 2023.

The programme for Government commitments contain new and important challenges for my Department, like the digital single market, the establishment of the independent Citizens' Assembly, and Seanad reform. A small programme for Government office within my Department monitors the implementation of the programme and as these things are achieved by different Departments, they outline or list them off. The programme sets out a new approach, not only including the partners of Government, but inclusive of the Oireachtas and wider society. Part of this approach includes reform of how the Dáil sets and conducts its business, reform of the budgetary process, and development of a broad based consensus in addressing key longer-term challenges.

The relationship between the Oireachtas and the Government means an enhanced role for the Office of the Chief Whip within my Department. That office works closely with a new parliamentary liaison unit which works to ensure that Ministers and Departments are properly informed of new responsibilities and procedures in the Thirty-second Dáil. I have outlined for the committee some of the key outputs of my Department in 2016 and some of the priorities we are working to make progress on in 2017 and beyond. In all areas, the Department looks for value for money and to maximise efficiencies, adhering to best practice in terms of procurement.

Vote 3 for the Office of the Attorney General is €14.9 million for 2017. The majority of the administrative expenditure relates to staff salaries which will cost over €11 million in 2017. The next largest expenditure is the grant of just over €2.2 million for the Law Reform Commission, which does great work. The Central Statistics Office is the responsibility of the Chief Whip. She will deal with that.

Vote 5 is for the Director of Public Prosecutions. The €40.68 million for 2017 represents an increase of 5%, or €1.79 million, over the 2016 estimates. Just over €1 million of this is due to increases in pay and fees to counsel, with provision for additional staff to cover extra sittings of the Central Criminal Court. The balance of the increased provision is to cover general law expenses.

Vote 6 is for the Office of the Chief State Solicitor. It is €32.3 million for 2017. Salaries, wages and allowances account for €16.76 million out of a total budget of just over €19 million. The remaining €2.3 million is attributable to the general running costs of the office. A provision of €14.6 million is allocated for the payment of legal fees including €13 million for counsel fees and €1.4 million for general law expenses. These include items like expert witnesses and stenographers.

That is a general run-down of where we are. Members may have some questions that they want to ask.

Chairman: On subheads A4 and A5, the cost of tribunals of inquiry and the commissions of investigation, I see the 2017 Revised Estimate is €10 million for tribunals, and a commission of investigation is €4.7 million. Could the Taoiseach give an explanation of where we are? Is that the final figure?

The Taoiseach: No.

Chairman: I do not want to go into the terms of reference or that debate. What happens when it is decided to set up any kind of tribunal or investigation? Is there some assessment of the costs, or do we just set out the terms of reference and have it roll from there without being checked?

The Taoiseach: I will give the context in which this is happening. The Moriarty tribunal into certain payments to politicians and related matters, established in 1997, concluded at a cost of €54.742 million. The Smithwick inquiry was a tribunal of inquiry established in 2006. That was to deal with the fatal shooting of Chief Superintendent Harry Breen and Superintendent Robert Buchanan of the Royal Ulster Constabulary in 1989. That concluded at a cost of €19.4 million. The tribunal inquiry in the Lindsay case, covering hepatitis C and HIV, concluded at €46.677 million. The Finlay tribunal of inquiry into the blood transfusion board of 1997 concluded at €4.38 million. The Mahon Tribunal to Inquire into Certain Planning Matters and Payments, passed in the Dáil and Seanad in 1997, cost €119.771 million. The Morris tribunal into the behaviour of certain gardaí in the Donegal division concluded at €68.695 million.

The extra €10 million is an increase of 122% because of the Moriarty tribunal and the expected third party legal costs incurred by the tribunal. The budget is €10 million and is considerably higher than previous years. It rises because of a number of third party claims that were expected to be paid in 2016, but did not arise in 2016 and are now due to fall for payment this year.

The Chairman asked a valid question about the difference between a commission of investi-

gation and a full-blown inquiry under the Tribunals of Inquiry (Evidence) Act 1921. There are no controls over the costs that may occur in a full inquiry, because every witness is entitled to have full legal representation and there may well be numerous challenges along the way, taking it to the High Court or whatever else. One can have a direction on the costs that would arise for a commission of investigation, which would be far less than what applies in a full-scale inquiry.

Chairman: Under the 1921 Act and the current discussion about a tribunal, there is now an open-ended-----

The Taoiseach: Practically. The Cabinet this morning approved the terms of reference for the tribunal of inquiry into the McCabe case. Mr. Justice Charleton has said that he will deal with that.

One amendment was made to the terms of reference as discussed, and that was to allow for the appearance of any individuals that the judge may think appropriate or relevant. That would arise because a number of Members in the House made comments that they had contact about some of the terms of reference and how relevant they might be. That was an additional amendment this morning to the terms of reference that were first introduced by the previous judge and yesterday expanded, and concluded this morning.

There is no set control over the costs of a public inquiry. I have provided the figures for some that are still ongoing after 20 years. The Moriarty tribunal was back in-----

Chairman: Sorry for cutting across. Is that €10 million on top of the €54 million? Is it included?

The Taoiseach: Yes.

Chairman: So it is €64 million.

The Taoiseach: Yes.

Chairman: Is there no way to set up the tribunal under that 1921 Act to deal with the costs or the timeframe?

The Taoiseach: No, because one is liable for legal challenges all the way along in the courts. A breakdown of expenditure between legal fees, administrative costs and third-party costs is as follows. Legal fees are €35.58 million, administration is €9.764 million, third-party costs are €6.848 million and other legal payments are €2.55 million. The tribunal is currently dealing with applications for third-party costs. The sole member has indicated that the majority of applications for third-party costs have now been considered by him and there remain only a very limited number of applications which are still being considered. The tribunal determines only entitlements to costs, not the costs themselves. These are usually settled in negotiation, or failing agreement, by the Taxing-Master. To the end of 2016, 60 bills of costs amounting of €14.312 million were settled, for a total of €6.848 million and settlements in excess of €20,000 are published on the Department's website on a periodic basis. A legal cost agent in the State Claims Agency deals with third-party bills of cost from the tribunal of inquiry. Prior to its establishment, claims were handled by the Chief State Solicitor's office, which engaged professional legal accountants to examine them. It is on top of the payments already made, and it is 20 years old.

Chairman: Is the tribunal being proposed a sole member again?

The Taoiseach: Yes, Mr. Justice Peter Charleton of the Supreme Court.

Chairman: When someone like that is taken from the Supreme Court, what happens next? Does that incur further costs to replace that person?

The Taoiseach: There has been a vacancy for quite some time in the Supreme Court that the Chief Justice did not recommend be filled because with the new Court of Appeal, a great deal of the work that would normally go to the Supreme Court, which had backed up, is now taken in the Court of Appeal. The President, Mr. Justice Kelly, has divided it up into sections and it is very efficient. Mr. Justice Charleton is a serving member of the Supreme Court, and he has determined that he feels he will be able to deal with the central element of this tribunal inside nine months, and if that is the case he would then be free to return to the Supreme Court. We cannot put a definite timeline on it because of the possibility of court actions.

Chairman: Yesterday the Minister for Finance was before the committee and we spoke about the banks. It appears from our engagement with the banks that the numbers of repossession will dramatically increase in 2017, which is an issue which concerns us all. I put forward a suggestion to the Minister about a friendly vulture fund or an agency that would be the preferred agency to purchase these debts from the bank at the same rate that a vulture fund might do. This would allow people to stay in their homes, allow them to pay their own rent or have a mortgage arrangement. That would solve that problem. Can the Government take an initiative in that area to try to curb those repossessions and keep people in their homes and have an agency of the State involved, perhaps funded by Government bonds in a similar way to NAMA, except on a far smaller scale?

The Taoiseach: I have met a number of county registrars who have been dealing with these matters. Given the scale and the range of mortgages which have been in distress for quite some time, we are getting to the point where a judge is going to or is not going to make a recommendation for repossession. Many repossessions have been voluntary. The Money Advice and Budgeting Service, MABS, organisation has brought an element of compassion and understanding into this. I take the point the Chairman is making.

The point which was made to me, which I have communicated to the Department of Finance, is that if houses can be bought at market value by a friendly fund, by Government or whatever, such that they could be leased to the tenants over a longer period with a seamless transfer to them, it means nobody is put out of his or her house but there is a change of the method by which such people will be able to retain ownership in the time ahead. That is replicated in the revamping of the mortgage-to-rent scheme that the Minister for Housing, Planning, Community and Local Government, Deputy Coveney, has now brought in. The revisions to the scheme, which followed a very extensive review, constitute a series of actions to make mortgage to rent quicker, more transparent, easier to navigate for borrowers and ultimately more accessible to more households in mortgage distress. Those changes will dramatically increase the numbers of householders availing of the scheme to deal with the very point the Chairman raised. This has come through at the Cabinet sub-committee on a number of occasions. It is very distressing for families where the family home is under pressure for one reason or another. At the extreme end of mortgage arrears, where households may be facing the trauma of losing their homes, these changes are now being included as a solution to that to take that trauma and distress away.

The recent bank statistics show that the level of arrears is declining. The Minister, Deputy Coveney, has pointed out that there remain a significant number of borrowers in long-term

mortgage distress who have no prospect of a significant change in their circumstances in the foreseeable future. The mortgage-to-rent scheme has not had the capacity so far to deliver significant volumes of transactions. Only 217 have been completed to date, with a further 635 reaching conclusion. New property valuation procedures and a new communications protocol are going to be put in place now and implemented to cover communications between borrowers and lenders at all stages of the mortgage-to-rent process.

The process for repairs to properties will be revised to speed that up. How delays arising at conveyancing stage on the legal end might be addressed will be explored at a forum which is going to be attended by the approved housing bodies before the end of quarter one of this year. A key objective of the actions will be a reduction in the average length of time for the completion of a transaction from between 12 and 18 months to less than nine.

The Consumer Protection (Regulation of Credit Servicing Firms) Act 2015 was enacted in July of 2015 to ensure consumer protection where loans are sold by the original lender to an unregulated firm. The Act introduced a regulatory regime for a new type of entity called a credit servicing firm. Credit servicing firms are now subject to the provisions of Irish financial services law that apply to regulated financial service providers.

Increasing the viability and familiarity of the scheme among borrowers is a critical objective. Once word gets out that this is an opportunity not to lose one's home but to get into a position where the home can be leased over a period with an option to buy would attract support from family members. The new Abhaile service and MABS will be important contributors to this. This new national mortgage arrears resolution service was launched back in October. It helps at risk home owners in mortgage arrears by providing access to expert financial and legal advice free of charge. Clients can get assistance in court if needed, have access to solicitors and get help obtaining legal advice. They can also get financial advice from a dedicated mortgage arrears adviser, a personal insolvency practitioner or an accountant, so it is hoped that might improve the position for people.

Chairman: The Taoiseach heads up many trade missions. They are very important, and even more important now as we enter into the uncertainties that Brexit will bring to the European Union and specifically to Ireland. IDA Ireland and Enterprise Ireland work hand in hand with the Taoiseach in that. A difference has emerged between Connect Ireland, a private company, and the IDA. It would be unfortunate if that difference, relating to money due to that private company, is not resolved, because it should be all hands on deck in relation to Brexit. That company fulfils a place in the market and it is needed. A question has arisen about a disputed amount of €14 million. I have asked the IDA and Martin Shanahan to try to expedite a resolution to that. I am making the Taoiseach aware of it because on trade missions one comes across all sorts of leads and potential for the country, and it would be a shame if Connect Ireland, a successful project, was to be discontinued in some way and that the matter was not resolved.

The Taoiseach: We are very conscious of this. There are more trade missions lined up for this year than ever before because we are going to have to sell into new markets or increase the scope of what we do in existing markets. Japan is open for specialist custom in the beef sector, and China and America. We can still do much more in the Nordic countries and in some of the eurozone countries. For example, when I was in Warsaw to meet the Polish Prime Minister we opened the new Bord Bia office. It is a great thing to have them all working together in the one unit, so that anything to do with Ireland is going on through the diplomatic services, through Enterprise Ireland, the IDA or Bord Bia. Every Minister going abroad this year for St. Patrick's Day will have a trade mission element around what they do. Whether it be far or near, there

will be a set programme that will be approved by Government before they go so that everyone knows that they are doing the brand work for Ireland as well.

I remember dealing with Connect Ireland just after I was appointed Taoiseach. I believe in that project. It might have been incorrectly structured at the beginning with the IDA, and I know that there were some pressures and differences of opinion as to how that happened. However, every job is a job, and when we had no jobs, to count them in fives and tens was very important. Connect Ireland has many ambassadors all over the world who promote Ireland at every opportunity by many means, so I will discuss that with both the Minister and the chief executive of the IDA.

Chairman: I am glad to hear the Taoiseach say that there is value to it because we need everyone working at our side in this.

The Taoiseach: The concept was right in the beginning in that there are opportunities for small numbers of jobs to come to Ireland which might never appear on the IDA radar. There might be five or ten or 20 jobs, and they are as important as where there are hundreds coming in. With respect to that sector, it is a matter of finding a way that such jobs could be notified by people who live abroad, by those who have sons or daughters in China, South America or wherever. If a company said that it was considering moving to Europe, it could be asked if it would consider moving to Ireland. That is how the concept began at the outset. It has been reasonably successful and resulted in industry moving to places where one would not expect it to locate. It involves members of the Irish diaspora who think the company in which they are employed might be shifting some resources to Europe and they ask the company to consider locating in Ireland. If the company does that and jobs occur here, a finder's fee is paid to the people who nominate that company.

Chairman: The Taoiseach might let us have a note indicating if there have been any developments in the settlement of that, as I have an interest in this area.

The Taoiseach: I will have that followed up for the Chairman. I know the route down in his part of the country.

Chairman: Thank you, Taoiseach. I call Deputy Pearse Doherty.

Deputy Pearse Doherty: I want to follow up on the Chairman's comments. I welcome the Taoiseach to the select committee where we have always had good engagement with him, although I am not sure how many other engagements we will have. Regarding his comment that the Supreme Court judge, Mr. Justice Charleton, would deal with the core elements of the tribunal of investigation within nine months and then return to the Supreme Court, is that an indication that he will not complete the terms of reference of the inquiry? The Taoiseach might elaborate on that if he wishes.

The Taoiseach: No. It is because a number of cases were raised that people felt should be included in the terms of the reference. The Deputy will appreciate that the two main principal law officers in this State were the subject of protected disclosures, but other cases have been raised. On discussing those, we were able to expand the terms of reference but it might be necessary - I cannot confirm this as it is a matter for the sole member himself once the tribunal is set up - that there would be a module B attached to it, but, clearly, if there were elements in module 1 that were going to be referenced in module 2, then that could not apply, but the opportunity is there for that. The sole member is confident that he can do the main section inside

nine months, but it is entirely a matter for him. When he was considering doing the commission of investigation in the first instance, his assumption was that he would have it finished entirely in the nine-month period and then be free to return to his duties in the Supreme Court. This tribunal will obviously take longer and it would involve having the terms of reference approved in a way that allows for other cases to be dealt with.

Deputy Pearse Doherty: Has the Taoiseach or the Cabinet got a commitment from the Supreme Court judge that he will deal with module 2, or module B, as well, or is his intention, on the completion of module A to return to the Supreme Court?

The Taoiseach: I do not speak for the sole member but he has committed completely to dealing with the tribunal of inquiry, and that means right through, and obviously he is in sole command of it once he is appointed.

Deputy Pearse Doherty: Okay. I know this has been delved into under subheading A4 in terms of the tribunal of inquiry. A total of €10 million has been allocated for 2017 for payments solely in regard to the Moriarty tribunal. Is that correct?

The Taoiseach: Yes, for expected third party legal costs incurred by the tribunal.

Deputy Pearse Doherty: Many claims are outstanding.

The Taoiseach: I think I have that information for the Deputy. The sole member has indicated that the majority of applications for third party costs have now been considered by him and that only a very limited number of applications remain which are still being considered. I do not have that number but I will get it for the Deputy. The tribunal determines only entitlement to costs, not the costs themselves.

Deputy Pearse Doherty: The Taxing Master of the High Court will deal with the actual costs.

The Taoiseach: Yes. At the end of 2016 a total of 60 bills of costs were settled.

Deputy Pearse Doherty: That brings me onto my next point. Where is his departmental Estimate for the tribunal of investigation that we are about to vote on later on today? I know the Taoiseach did not think that there would be a tribunal of investigation but we are dealing with Estimates for his Department for 2017, and there is likely to be a quite a large hole in them, given the-----

The Taoiseach: We will have to make arrangements with the Minister for Public Expenditure and Reform in respect of how that is to be set out for 2017. The costs are going to reported - somebody has just been approved this morning at 7.30 a.m.

Deputy Pearse Doherty: I appreciate that. Has the Taoiseach's Department any indication of the costs that would be incurred over 2017, given that it is likely that the main part of the of the terms of reference of the inquiry will be concluded before the end of the year?

The Taoiseach: I do not have that detail and I cannot give it because, clearly, every witness who will be called will be entitled, in full transparency and cross-examination, to have legal representation right along the line. When Mr. Justice Charleton starts his work it will become obvious as to the range and number of persons who will be called to give evidence and be cross-examined at the tribunal. I assume the Department of Justice and Equality will be doing this. We will have to have a report from the Department of Public Expenditure and Reform on the

costs. That was not a matter that was approved today because we would not have any idea of what they would be.

Deputy Pearse Doherty: I was not here when previous tribunals of investigation were established by the Houses of the Oireachtas but I presume there would have been a forecast of their expected costs. Many of them ran way above those estimated costs but it is possible to estimate the costs involved.

The Taoiseach: It is possible to estimate it but I assume there might be an opportunity to have some approximate estimate of what it might cost in 2017. When the sole member takes up duty - I think the tribunal will probably be held in Dublin Castle - he might be able to give a position as to what he might expect the overall costs to be for 2017, but it is impossible to put an accurate figure on it.

Deputy Pearse Doherty: I have asked the Taoiseach about a matter related to the Tribunals of Inquiry Bill 2005 on a number of occasions in recent days and previously in recent years. I am sure he is well aware of the contents of that Bill. Has he, his Department or the Cabinet, but more so he and his Department, considered introducing the cost-saving elements of that legislation in the form of emergency legislation given that we are about to establish a tribunal of inquiry? The Taoiseach mentioned to the chairperson, and rightly so, that anybody appearing before a tribunal is entitled to full legal representation. The Tribunals of Inquiry Bill, which was introduced on foot of a Law Reform Commission report, following on from a recommendation in the Moriarty tribunal, made it clear that the judge would indicate to each witness the level of legal representation that would be paid by the State. It would be up to the individual whether they wanted to beef that up at their own cost. It also allowed for the Minister to set regulations that would limit the amount that could be paid to members of the legal profession on an hourly rate. The crazy scenario is that some of the costs in the Estimates, with which we are dealing, have been paid out to public relations consultants as witnesses tramped into different tribunals of investigation. Public relations consultants who were working to spin a line to the media and to the public were able to recoup their costs fully from the State as a result of that. The 2005 legislation would have prevented that from happening. It requires the sole member, or those presiding over a tribunal of investigation, after 30 days of its establishment and within 60 days of it, to give an indication of the costs associated with the tribunal. The sole member would be in a position to do so because he would know the witnesses who were coming forward, the legal representation costs that the State is willing to pay and he would have been aware of the regulations the Minister would introduce to impose a limit on the amount to be paid.

The Taoiseach spoke to the chairperson about the costs involved in the tribunal of inquiry into payments to politicians, which were more than €100 million, and in the Moriarty tribunal, which were more than €54 million with another €10 million to be paid out. I understand the urgency in making sure that we get justice and truth for Maurice McCabe, Keith Harrison and for others who have been wronged, in my view, in this situation, but surely there is an onus on us that when we have legislation on this area, which passed Committee Stage, was before the Houses for 11 years and that was approved by the Attorney General, to use it. There were contentious parts of it related to the right of a Government to suppress the report of a tribunal in the cases of national security or relations with third member states, which could be forgotten, but the core elements of it, which came from a Law Reform Commission report and a recommendation of the Moriarty tribunal, could be introduced in this House and in the Seanad in a very short period and the tribunal of investigation we are setting up could take place under new laws that would not allow for the type of gravy train that we possibly could see from members

of the legal professional and people who would come before the tribunal.

The Taoiseach: Deputy Pearse Doherty raised this the other day in the Dáil, and rightly so. I have asked for a report on it, particularly regarding the areas of cost saving he mentioned. His is a very valid point, given the fact that there is very little restraint on full, open public inquiries and the costs that arise in respect of them. There was the question of a permanent inspectorate for public inquiries, on which the Law Reform Commission reported in 2005. This morning we also considered the implications of the protected disclosures legislation, which is quite complex, and in respect of which Ministers are now receiving substantial amounts of correspondence. I have asked for a report on the very points Deputy Doherty raised last week in the Dáil and I will bring it to Cabinet when I get it.

Deputy Pearse Doherty: I will move on and we will pick up on this later. There is an urgency to it. Regarding the commissions of investigation, which are accounted for under sub-head A5 of the Vote, €4.7 million is set aside for 2017, and it is referenced that this concerns the Fennelly and IBRC commissions of investigation. I am nearly sure - perhaps it is referred to somewhere in this document - that either the Taoiseach or the Minister, Deputy Noonan, had informed the Dáil that €10 million was set aside for the commission of investigation into NAMA.

The Taoiseach: Yes.

Deputy Pearse Doherty: Where is that €10 million?

The Taoiseach: Until the end of 2016, the Fennelly commission spent €3.03 million. The IBRC commission of investigation was originally requested to investigate certain transactions. Mr. Justice Cregan submitted an interim report in November 2015. The result of the issues raised was bespoke legislation and a timeframe of the end of 2017. The IBRC commission has cost €1.516 million to the end of 2016. The commission has tentatively indicated an approximate cost in excess of €10 million for its investigations into the Siteserv transaction and this assessment was shared with Opposition leaders at the time when I consulted with them. Their strong view was that the investigation should proceed. This does not take account of the cost and the time impact of any legal challenges which may be taken. The Committee of Public Accounts will send its report to us first of all to feed whatever recommendations it makes into the terms of reference for this matter.

Deputy Pearse Doherty: We are conflating two matters. The IBRC investigation is completely separate. The point I was raising is that I am nearly sure the Taoiseach or the Minister, Deputy Noonan - possibly both - has informed the Dáil that €10 million has been set aside for a commission of investigation into the establishment of NAMA. I apologise if I am incorrect. I do not have the transcript in front of me but I will dig it out. I cannot at this point see any figure of €10 million allocated by the Taoiseach's Department, which would be in charge of the commission of investigation.

The Taoiseach: This will have to be dealt with when the Committee of Public Accounts report comes out and the Government finally signs off on the terms of reference for the commission of investigation. The €10 million will be for time forward. There is €4.763 million allocated in the Vote for the Fennelly and IBRC commissions of investigation for 2017. We will have to deal with that matter when we do it.

Deputy Pearse Doherty: No. Again, I apologise if I am misportraying what the Taoiseach has said, but the point is that I am 99% sure he has informed the House that €10 million has

been set aside for the commission of investigation into NAMA. I am nearly certain of this but I do not have the record before me. Perhaps he can clarify the matter, as we are dealing with his Estimates. Is €10 million set aside for that commission of investigation? Is €1 million set aside for it? It appears to me that not a red cent has been set aside in his Estimates for a commission of investigation into NAMA. We have gone through in detail what has been set aside for the Fennelly and IBRC commissions of investigation, but I am focused solely on the commission of investigation it was agreed in principle to establish regarding NAMA. It may be an error. I am not sure, but we are asked to-----

The Taoiseach: I will have to find the information for Deputy Doherty. I do not have it here. The commission of investigation into NAMA has not been set up yet. It is one of a number of commissions of investigation.

Deputy Pearse Doherty: It is not accounted for in the Vote.

The Taoiseach: It is not.

Deputy Pearse Doherty: It is clear no money is set aside in the Estimates for the Department of the Taoiseach this year for a commission of investigation into NAMA.

The Taoiseach: We will have to deal with this when the final terms of reference are approved by Government.

Deputy Pearse Doherty: The problem with this is that the amount of money we talked about is €10 million. That creates another €10 million hole in our budget. If the money is to be spent, it must come from somewhere else. We were led to believe that this was provided for.

The Taoiseach: It is a commission of investigation. It is not confirmed in the Estimates whether it will continue to be in Vote subhead A5, which concerns commissions of investigation and which is where one would expect it to be. I confirm this to the Deputy and the position regarding the estimate of €10 million to cover the investigation into NAMA.

Deputy Pearse Doherty: I will finish with this question. The Taoiseach has on many occasions declared himself the Minister for Brexit. What is his position on the Revenue Commissioners' scouting for locations for customs posts in my county of Donegal and other counties? He told Deputy Adams yesterday, "I hope nobody is looking for sites along the Border." However, the Taoiseach's Minister for Finance was before the committee yesterday and confirmed to me that this is exactly what is happening and that Revenue has briefed him on its contingency plans. Was the Taoiseach aware that Revenue is drawing up contingency plans and is looking for locations where customs posts could be re-established on Border roads in counties such as Donegal, Louth, Monaghan, Cavan and Leitrim?

The Taoiseach: I do not accept that. I have an agreement with the British Prime Minister that there would be no return to the borders of the past, that is, customs posts along the Border. I have seen the reports from customs consultants and those who work in customs in different locations around the world discussing how one might deal with the borders. We have an invisible Border, as the Deputy well knows. We have an agreement with the British Government that we will not have a return to the kind of Border that previously existed. This is not a legal challenge or a technological challenge; it is a political challenge. Just as we had no political answers to many matters in the past, we must find an answer to this one. Brexit is a British policy introduced because of the vote of the people in the UK, which I do not like but which I respect. I have issued no instructions to people to assess where parking lots on either side of

the Border might be established. As far as I am concerned, I am standing on a position I have agreed clearly with the British Prime Minister of no return to such a Border of the past.

Deputy Pearse Doherty: I agree with the Taoiseach that it is a political-----

The Taoiseach: In answer to the Deputy's question, I did not know the Revenue Commissioners were looking at these places. As far as I am concerned, the political challenge is not to have that happen.

Deputy Michael D'Arcy: According to the figures the Taoiseach has outlined, more than €300 million has been allocated for the tribunals for this period. I previously put it to him that on each occasion we establish a tribunal or commission of investigation, people come in to do the work, the tribunal ends, the investigation ends and we let all those people go. The question I have - I have put it to the Taoiseach before - concerns the establishment of an office of investigation, whereby we would establish an administrative staff, people who have the skill sets and abilities to investigate and then, depending on whether it is a tribunal or a commission of investigation or whatever is in place, one slots in a single person to head the office. We are losing people's skill sets and abilities on each occasion a commission of investigation starts and finishes. Would it not be worth considering the establishment of an office of investigation within the State on a statutory footing?

The Taoiseach: This is a good idea, and I am certainly open to it. A number of matters about it would need to be considered. It was considered by the Law Reform Commission back in 2005 in its report on public inquiries, including tribunals of inquiry. The report pointed out a number of advantages of a permanent inquiries office such as that suggested by Deputy D'Arcy including that over time, its staff would become very experienced in investigations and would be paid salaries rather than a daily rate, resulting in very substantial savings. Second, the office would have easy access to precedents and experience based on past events and guidance on procedural issues. It would provide a one-stop-shop for people seeking information on inquiries. It also lists the disadvantages, including that there are a number of inquiries at present and there is no guarantee that there will be a need for similar bodies in the future. Clearly, we have that now. Public inquiries are *ad hoc* bodies by their nature, and their structure and personnel should reflect this. The commission weighed all of these matters but it did not recommend the establishment of a permanent standing inspectorate. However, it recommended the establishment of a central inquiries office that would be charged with collecting and managing a database of records and information in respect of public inquiries. This would provide those charged with establishing and running public inquiries easy access to those precedents and experience, including legislation, procedural issues, the drafting of terms of reference and administrative matters. That report was back in 2005, the year after the Commissions of Investigation Act 2004 was enacted. Since then there has been a diverse range of commissions of investigation into a range of topics.

To be honest, I am open to considering that idea. I have always thought it might even have the capacity to carry out a scoping exercise as to whether a commission of investigation or a public inquiry might be necessary on issues of serious public concern. Any decision to have a permanent inspectorate or a central office would have to have regard to the experience gained in the intervening period as well as the Law Reform Commission giving updated assessments.

Deputy Michael D'Arcy: The previous Administration enacted the whistleblowers legislation. With that legislation in place it is likely that there will be a more consistent flow of issues of this nature. The papers relating to this were produced prior to the enacting of that legisla-

tion. There are more than 200,000 public servants so I believe it is something that should be considered again.

The Taoiseach: I would not object to that. Obviously, when people feel aggrieved about an issue, and there are mountains of correspondence about some of these issues dating back to 30 or 40 years ago, and if after a long protracted engagement either a commission of investigation or an inquiry is set up, it may lead to people saying: "If I am to follow this through to the end I need to follow a particular route here". That is why, for example, Judge Mary Ellen Ring is looking at the restructure of the Garda Síochána Ombudsman Commission, GSOC, to have a more effective way of dealing with it. The protected disclosures Act is complicated legislation, so that will have to be examined in the context of probably a serious increase in the amount of correspondence going to various Ministers which will have to be treated in a particular way.

Deputy Michael D'Arcy: I will move on to Brexit. The Secretary General of the Department of Finance, Mr. Moran, appeared before the committee and he did not fill us with confidence when he informed us that four members of staff within the Department are dedicated to Brexit. How many of the staff in the Department of the Taoiseach are dedicated to Brexit?

The Taoiseach: There are 31 staff assigned to the division in the Department of the Taoiseach.

Deputy Michael D'Arcy: Were they redeployed or were they brought in from outside? If they were redeployed, from what areas were they redeployed? Is there now an area potentially under-staffed because the 31 staff have been allocated to Brexit?

The Taoiseach: There were movements. The European affairs division used to be in the Department of the Taoiseach. After we held the EU Presidency in 2013 some changes were made to move some of those personnel back to the Department of Foreign Affairs and Trade, where there is an EU division again. It has recruited a small number of select staff from outside. There are 31 in the division now. Work on Brexit is also supported by the Minister for Foreign Affairs and Trade. There is a newly created EU division in that Department and there is the existing division dealing with Anglo-Irish affairs. Both have particular roles to play. I am satisfied that, between the advisers and the officials, the Department has a full range of skills and expertise to provide the necessary evidence and advice one would need to deal with these matters. My Department has also availed of the specialist expertise and the particular knowledge required to respond to the challenges through the secondment of personnel from semi-State bodies, who have experience, and, indeed, the private sector, to strengthen capacity in these areas. I can provide the Deputy with the numbers and experience if he wishes.

Deputy Michael D'Arcy: There have been reports in the last number of days relating to a Brexit fund of some type. Has consideration been given to a Brexit fund? Business is more capable and faster moving than Government, perhaps, in terms of difficulty with Brexit, the re-allocation of resources or maybe even reducing the size of a business. However, the area business is unable to influence will be the potential to have a fund available, perhaps from the EIB, at very low interest rates. That would be hugely important to a business if it required cash-flow or to extend its current loans over a longer period of time and at lower rates. Something of that nature could be a huge benefit.

The Taoiseach: Enterprise Ireland has examined all of the companies that are exporting. Obviously, we have lost €500 million in value terms because of the change in sterling. There are a number of options. For example, the Minister for Agriculture, Food and the Marine intro-

duced a long-term, low interest loan for agri-business. The Government's preparation has been extensive. It includes contingency work carried out before the referendum. We are examining the possibility of having funding from European sources to help us with this, hedging forward, insurance credit and a number of new firms to give insurance for the low margin agri sector exporting to Britain. The Central Bank has pre-established contingency plans to deal with market volatility surrounding the referendum result and it is engaging with the Department of Finance and individual financial institutions regarding risks. Actions by the ECB and the other global players will be monitored closely. Budget 2017 contained a specific number of measures to assist exports affected by the volatility, including new resources for the enterprise agencies to put more people in place in foreign markets to help Irish businesses, new schemes related to risk sharing under development, the agri-food package of measures and maintaining strong support for the tourism sector with the 9% VAT rate. These are some of the areas where the Government has made an impact on this.

In the speech I made yesterday in the Mansion House about Brexit in general I pointed out that we will have to look to Europe for assistance, given the outcome of some of the issues that will arise from the Brexit negotiations. In other words, Ireland will have to seek particular assistance from Europe arising from these negotiations. It may well be that some of that might have to be examined in the context of some of the companies the Deputy mentions.

Deputy Michael D'Arcy: I will look back to 2016 and the commemorative events throughout that year. This might appear to be trivial but it is something that was done particularly well, that is, the retrieval of the national flag from the ultra-nationalists. There were a number of flag raising ceremonies and there was the construction of flag poles. A little booklet was issued from the Taoiseach's office outlining how the flag should be treated. It is now almost 12 months later. The Department should not just finish its job in terms of how the flag should be treated. I see a huge number of flags around the country that are becoming worn, torn and tattered; these should be replaced. With regard to the respect and the re-establishment of the national emblem, I appeal to the Office of the Taoiseach to continue that correspondence and education programme and that the flags be replaced. It does not take an awful lot to purchase a flag. The worn flags should be replaced.

The Taoiseach: The original idea was to give an understanding of where the flag came from, what it stands for, the difference between the orange and the green and what the colours symbolise. Defence Forces personnel presented a proper flag to every school, all 3,500 of them. Many of the flags the Deputy mentioned are outside commercial premises and are left up day and night. There is obviously a protocol attached to the national flag, as the Deputy knows. If it is flown overnight, it has to be lit or be in a lighted position. I suppose that we can have that looked at.

This was a particular programme that was really effective in the sense that two Defence Forces personnel visited every school and explained the background of the flag, the understanding of it and the respect for it. I think that brought about an awareness for more adult people as well of what our national flag stands for. I see the same kind of flag the Deputy sees. Many of them have become worn and tattered like the poem "Barbara Frietchie" about the stars and stripes. That respect for the flag will continue to be referred to in schools as part of the ongoing civic programme. Those who put flags up outside premises should see that they are at least fit for purpose.

Deputy Michael D'Arcy: My last point relates to the Taoiseach's attention towards the north inner city, an area that has been left behind. One of the disappointing things is that this

is as a result of a decade or so in which we were not capable of investing. There is a version of the north inner city in every county in the country at the moment. The local authorities now have a role in economic development, crossing over from the IDA. However, they have no additional specific funding to do something about that role. While some of them took the opportunity to raise the local property tax to the allowed limits, outside of that they have to increase rates, which, with business where it is at the moment, is certainly not an option. In terms of the economic development of the north inner city and other north inner cities, should there be a specific fund available to try to do something about those areas of deprivation that are now appearing in every county?

The Taoiseach: The north inner city in Dublin is a very historic area with particular landmarks. It is fundamentally iconic and has an historic part to play in Dublin. Unfortunately, it has been a location of multiple murders by gangland crime. As a consequence, the drugs issue, the deprivation issue, the neglect issue, the mental health issue and the complex issue of proper educational facilities have all been there. The attempt was to create a template there which could apply in other cities in which we might have similar problems. It is really about co-ordinating effort between all of the existing community development. There has to be buy-in from the community assisted by local authorities and, where necessary, State agencies. That will be the value of the Mulvey report, to be published this evening.

There have been other introductions by the Department of Finance. For instance, there is the older buildings initiative between the canals in Dublin. It is now moving to a point at which there can be reconstruction or renovation of commercial premises to convert them into habitable living conditions in different towns. As the Deputy is well aware, in lots of towns around Ireland, much of the stagnation has either been because of the acquisition of properties by banks or sometimes because of family positions. The Government published its Action Plan for Jobs as well as its programme for the realisation of the potential of rural Ireland, including towns. That draws together all of the initiatives out there, which allows for benefit to be drawn down to most areas.

Clearly, the Deputy's point about the involvement of the local authority is central. The north inner city cannot be developed in the way that one would like without the particular involvement of Dublin City Council. That ranges from painting signposts to restoring windows, fixing footpaths and traffic lights and all of that. In other words, the physical manifestation of what the north inner city is impacted greatly upon by the involvement of the Dublin City Council together with the communities, which must have a direct input into this. In the context of it being a template for other areas, I hope that it will point a signal as to how to co-ordinate all of these things and use the public representatives working with communities, the local authorities or whatever to generally improve the lot and make it more attractive than it is. In this particular location, there are clearly exceptional social problems. In fairness to those who work with those communities, they do extraordinary work in working with children in particular in order that they do not take the wrong path in their young lives and end up in serious trouble.

Chairman: I have two short questions for the Taoiseach. We were talking earlier on about the tribunals. I understood him to say that the cases of other Garda whistleblowers might be considered by the sole member to decide whether or not their circumstances would form part of the consideration of the tribunal. Is that correct?

The Taoiseach: The original commission of investigation was to deal with two particular protected disclosures. There were some discussions yesterday as people had raised other particular cases. It has been agreed that a named number of those will be included in these terms

of reference.

Chairman: They will be named.

The Taoiseach: Yes. An amendment was made this morning that provides that where the sole member feels that other relevant persons might be called in respect of evidence or comments they made about contact that might be germane to the terms of reference, they would be facilitated. In other words, if somebody was to stand up in the Dáil and say that he or she feels able to give evidence in the House because he or she has information on the cases, it could warrant such an inclusion. There is not an endless expansion here. This is about particular cases, but there might be other relevant people or personnel who might have something to add to it.

Chairman: Can I venture to ask if someone like Ms Lucia O'Farrell and her case could be added? I know that the Taoiseach-----

The Taoiseach: The Chairman knows the case. I had a very long and fruitful meeting with the O'Farrell family. I understand very well the exceptional family pressure to have the matter resolved. We have been in contact about the work that has been going on for quite some time in respect of the GSOC claim and assessment. It has not moved a lot from the time I met with the O'Farrell family. However, I sought an update recently to see whether the evidence submitted warrants moving this on. Some new evidence has been sent in on a number of occasions since then. Without presuming to know this, GSOC is probably looking at that as well. I would like a conclusion to this because it has gone on for quite a long time. I gave my assurance to the parents that I would see to it that this matter was brought to a head. Hopefully-----

Chairman: That would be completely separate from-----

The Taoiseach: -----from this morning's announcement? Yes, it would be completely separate.

Chairman: I had to ask. I share the same concern-----

Deputy Michael D'Arcy: On that point-----

Chairman: Just one second. I share the same concern as the Taoiseach does around the death of Mr. Shane O'Farrell and the case of Ms Lucia O'Farrell. One can only be touched and disturbed by the circumstances of the case. I really hope the Taoiseach continues to take an interest in it, as I believe he will.

Deputy Michael D'Arcy: On that same subject, I spoke last Thursday about issues within the gardaí. Subsequent to that, Ms O'Farrell rang me and outlined a really heart-rending story. I would really appreciate if it could be brought to the speediest conclusion possible.

The Taoiseach: In the O'Farrell case.

Chairman: I know that the Taoiseach is working on it.

We have heard a lot from retired members of the Defence Forces about commemorations, including of the 1916 Rising. Retired members who served on overseas missions in Jadotville and the Congo believe they should have also been honoured with medals. Is there some way an examination of this issue could be encouraged?

The Taoiseach: I will have it looked at. The position of some retired members such as those

who served in Jadotville was dealt with after so many years. There was great appreciation of and excitement among those members who were still around or their relations at what happened and the recognition given. Does the Chairman have any idea of the numbers involved?

Chairman: In the case of the mission in Jadotville, there is a very small number involved.

The Taoiseach: It was a very small number. Is the Chairman speaking about others who served abroad?

Chairman: Members who served in the Congo have approached and continue to approach a number of Members of the House in seeking some acknowledgement of their contribution. There is also the overall question raised by the retired members association in the context of medals being received in recognition of service during the 1916 Rising. It is considered that they too should have received medals.

The Taoiseach: I will look at that issue.

Chairman: It all comes out of concerns-----

The Taoiseach: I am Minister for Defence, but I given statutory responsibility to the Minister of State in a number of areas. However, I will discuss the matter with the Chief of Staff and the Secretary General of the Department.

Chairman: We have concluded this part of our discussion. I thank the Taoiseach.

The Taoiseach: I thank the Chairman and the staff.

Chairman: These are difficult times and I wish the Taoiseach well personally.

The Taoiseach: *C'est la vie.*

Minister of State at the Department of the Taoiseach (Deputy Regina Doherty): The Central Statistics Office, CSO, is responsible for the collection, processing and publication of official statistics for economic, social and general conditions in Ireland. While the main focus is on meeting the statistical requirements of government, the information published by the CSO is also used by public bodies, business, universities, research institutes and the general public. There is a significant international dimension to the work of the CSO. EU institutions, the IMF, the OECD and other international bodies are all important users of official statistics. These bodies also have a significant role in defining and monitoring standards for the compilation of comparable information and the CSO subscribes to the standards set out in the UN fundamental principles of official statistics and the European statistics code of practice.

The net allocation in 2016 amounted to €82.081 million which included funding for the census of population. The net allocation in 2017 is €48.584 million. Funding is provided for core outputs and additional significant projects, including the publication of outputs from the 2016 census of population. The CSO is also implementing a long-term programme of change for how it organises household surveys in order that it will be able to meet future information needs as efficiently as possible. In 2017 it will publish about 300 releases and publications. All statistics are published online. Members of the public are increasingly aware of, and able to access, statistics and indicators on the social, economic and environmental issues which affect their daily lives. Recent well received publications include *Life in 1916 Ireland: Stories from Statistics* and *Brexit: Ireland and the UK in Numbers*.

The CSO's statement of strategy 2016 to 2019 gives priority to delivering the core statistics needed for policy, while keeping a strong focus on cost reduction. The office continues to meet all of its commitments under the public service reform programme and is implementing a programme of reform and continuous business process improvement in the collection and processing of statistics. The report from the economic statistics review group convened by the CSO has been published, with the CSO's response. The recommendations made in the group's report focus on how best to provide an insight for users into domestic activity, given the highly globalised nature of the Irish economy. The CSO will implement the recommendations made incrementally from mid-2017.

The CSO is taking a lead role in developing the Irish statistical system by working closely with other Departments and public bodies to promote a more coherent approach to meeting our data needs. It has developed a code of practice for the Irish statistical system. It also strongly promotes the development of a national data infrastructure which will provide for better co-ordination and greater exploitation of the rich data sources available across the system. It will also lead to a greater understanding of the importance of data in supporting policy and decision-making and delivering efficiencies in public service provision. Making better use of data throughout the public sector is an important part of public service reform and will contribute to more evidence-informed decision-making and better measurement of policy outcomes. Better co-ordination and greater use of administrative data also contribute to reducing the burden on data providers. Since 2008 the CSO has continued to reduce the response burden of its non-agricultural business surveys. When measured from 2008, the burden to 2015 decreased by 37.1%, exceeding the target reduction of 25% over this timeframe.

The CSO Vote for 2017 provides for a total of 755 staff. This represents a decrease from 843 in 2016 and reflects the cyclical nature of the work of the office, including the census of population. I commend the values and principles which inform the CSO's work. The CSO makes an important contribution to Ireland's public policy by providing a high quality and, most importantly, an independent statistical service.

Chairman: I thank the Minister of State. We all agree that important work is carried out by the CSO. The committee has had a discussion with the Minister of State, Deputy Eoghan Murphy, on its report on the insurance industry. The report recommends that the Central Statistics Office be charged with collating and publishing insurance claims data and that this function be placed on a statutory footing. The CSO is recognised as an independent organisation which commands the respect of the country. People rely on the information provided by it. Information on insurance claims is not collected or available in as comprehensive a form as we would like. This is recognised in our review of the insurance industry. What is the opinion of the Minister of State on the CSO's involvement? Is there capacity for it to collate and publish information on insurance claims and put this function on a statutory footing?

Deputy Regina Doherty: I agree completely with the Chairman on the independence and reliability of the data collected and presented by the CSO. I thank him for the compliment on behalf of the 755 staff who work in it. The idea has merit. To answer his question, I do not know whether within the Vote and staff numbers we would have the capacity to do it and, more importantly, whether we would have access to information on claims. It would be reliant on the Dáil passing legislation to require providers of insurance policies to meet the information requirements that would be involved in keeping an accurate and reflective census of claims. The idea certainly has merit and is one at which we could look.

Chairman: The information is held by Insurance Ireland and shared with the Central Bank

which receives whatever information it requests. What is essential to attract competition to the market is having insurance claims data published by an independent respected organisation. That is what the CSO is. After long discussions, the committee made this recommendation. The data should not be collected by the Central Bank but by the CSO. I encourage the Minister of State to examine this recommendation and discuss it with the Minister of State, Deputy Eoghan Murphy. I hope they will come to the conclusion that the CSO and its staff are the ones who are independent in this area and should do this work.

Deputy Regina Doherty: I thank the Chairman. I will come back to him.

Chairman: On the Minister of State's presentation of the Estimate, she can see that we accept it.

Message to Dáil

Chairman: In accordance with Standing Order 90, the following message will be sent to the Dáil:

The Select Committee on Finance, Public Expenditure and Reform, and Taoiseach has completed its consideration of the following Revised Estimates for public services for the year ending 31 December 2017: Vote 1 - President's Establishment; Vote 2 - Department of the Taoiseach; Vote 3 - Office of the Attorney General; Vote 4 - Central Statistics Office; Vote 5 - Office of the Director of Public Prosecutions and Vote 6 - Office of the Chief State Solicitor.

The select committee adjourned at 12.50 p.m. *sine die*.