



DÍOSPÓIREACHTAÍ PARLAIMINTE  
PARLIAMENTARY DEBATES

**DÁIL ÉIREANN**

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

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# DÁIL ÉIREANN

*Dé Céadaoin, 19 Samhain 2014*

*Wednesday, 19 November 2014*

Chuaigh an Ceann Comhairle i gceannas ar 9.30 a.m.

*Paidir.  
Prayer.*

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## Ceisteanna - Questions

### Priority Questions

#### Child Protection

1. **Deputy Robert Troy** asked the Minister for Children and Youth Affairs his views on the lessons that need to be learned by State agencies following the death of a person (details supplied); and if he will make a statement on the matter. [44218/14]

**Deputy Robert Troy:** I offer my deepest sympathy to the family and those who are bereaved by the horrific and tragic death of Hassan Khan, and I wish to ask the Minister his views on the lessons that must be learned by State agencies following the child's death.

**Minister for Children and Youth Affairs (Deputy James Reilly):** I join with Deputy Troy in offering my sympathies to the family. I was as shocked as everyone else in the country to hear of the tragic and senseless death of such a young child - a child who had his whole life ahead of him. Sadly, it is a tragic fact of life that children die, and sometimes die at the hand of someone they know - a trusted adult, sometimes even a parent or guardian. We must do everything we can to understand and learn from tragedies such as this. It is incumbent upon us in the House to do everything in our power to make sure that every resource available to the State is used to prevent such tragedies in the future. It is only by learning from tragic events such as this one that we can help those people charged by the State to work with children to keep them safe.

When there is a fatality of a child in the care of the State or one who has been seen by social work services - or indeed, when something happens that could have resulted in a fatality - the

case is referred to the national review panel, which was established in 2010 specifically for the purpose raised by the Deputy, namely, to identify lessons that need to be learned by State agencies following a child's death. The panel is chaired by Dr. Helen Buckley of Trinity College Dublin, who is an expert on these matters. The review focuses primarily on services provided to the child and family and establishes whether they were effective and compliant with guidance and procedures.

The case is also the subject of an ongoing criminal investigation, and we do not yet know the full facts. Nor do we know the outcome of the work of the national review panel. It would not be proper or prudent to speculate until we know all the facts. Like everyone else, I am eager to hear the panel's conclusions, but it needs time to do its work and that must be unhindered by our desire for answers. I wish to reassure the House that the panel works independently of the Child and Family Agency, and any other State agency, and has neither fear nor favour in coming to its conclusions. The Deputy can rest assured that the panel will advise the agency in order that it can start working on recommendations as they become available, even before the report is published. The report is unlikely to be available to us before the outcome of the criminal investigation.

**Deputy Robert Troy:** The Minister is correct that the case in question is extremely sensitive and we must be very careful in what we say. A young life, un-lived, was lost in appalling circumstances. It is a requirement under section 3 of the Child Care Act that the Child and Family Agency must intervene when it suspects a child is at risk. By virtue of this child's having been subject to a Garda rescue alert on 10 August, he was identified as being at risk. Last week the Minister confirmed to a committee of the House that a social worker had been allocated to the case. The Child and Family Agency is a new organisation and it is important that things are done correctly. We are aware of the pressures under which social workers operate because of depleted numbers. Given his responsibility for the new agency, is the Minister satisfied that the agency has discharged its responsibilities? Is he also satisfied that adequate supports were put in place to support the family and that appropriate measures were taken after the family came to the attention of the agency following the Garda alert?

**Deputy James Reilly:** I preface my answer by making it clear that I wish to be very careful that neither I or anyone else says anything in the House that might cause further distress or hurt to the family of this young child. I pointed out in my response that a criminal investigation by the Garda is ongoing and the report that would help us in terms of answering the Deputy's questions is unlikely to be available until the investigation has concluded. It is important to note that the young child had an allocated social worker and that the new agency, which was founded only this year, is working very hard towards meeting all its obligations.

**Deputy Robert Troy:** I agree with the Minister that we must be extremely sensitive in what we say, but the fact of the matter is that a young life was lost - a young life that was known to the agency charged by the State with responsibility for the protection of vulnerable children. We require answers for the family concerned in the case outlined, and for the wider public, who want to have faith and confidence in the new agency, to ensure the appropriate levels of intervention and support are provided to vulnerable children. Following his inquiries, is the Minister satisfied that the appropriate levels of support were available to the family in question?

The Minister referred to the independent review group, which I welcome, but essentially, that is an internal audit mechanism within the Child and Family Agency. Does the Minister know when the report will be completed and when we will be able to discuss its findings? If

there are adverse findings in respect of the workings of State agencies, will the Minister open this case to a full independent inquiry?

**Deputy James Reilly:** I reiterate that in 2010 the national review panel was established on a permanent basis to review serious incidents and the deaths of children in care in order to identify any area for improvement. The panel is chaired by Dr. Helen Buckley and independent in carrying out its functions. All cases involving death or a serious incident involving children in care, after care or known to the child protection services are reviewed by the panel in keeping with the guidance of the Health Information and Quality Authority. Therefore, reviews relate to a significantly broader range of children than those in care. It is also important to review the deaths of young adults previously in care and those of children known to the child protection services, even if they had not actually been in care, as all such deaths are tragic and can potentially lead to the improvement of services and the prevention of such tragic deaths in the future.

### **Child Poverty**

2. **Deputy Caoimhghín Ó Caoláin** asked the Minister for Children and Youth Affairs his plans to address the fact that the level of child poverty rose here during the recession from 18% to 28.6% between 2008 and 2012, according to a UNICEF report, a net increase of more than 130,000 children; his further plans to ensure the well-being of children is one of the Government's priorities in the remainder of its lifespan; and if he will make a statement on the matter. [43992/14]

**Deputy Caoimhghín Ó Caoláin:** I am seeking to establish what has been done to address the fact that the level of child poverty in Ireland has increased significantly in recent years, as confirmed in the recently published UNICEF report.

**Deputy James Reilly:** Support for families who require income support to meet basic needs is provided through the social welfare system which is the responsibility of my colleague, the Minister for Social Protection. A range of income supports are available to parents, both those who are unemployed and those on low incomes. The Department of Social Protection also has lead responsibility for the national action plan for social inclusion, Better Outcomes, Brighter Futures: the National Policy Framework for Children and Young People 2014 - 2020, which was published and launched by the Government in 2014. The plan provides the overarching framework for the development and implementation of policy and services for children and young people. As provided for in the framework, the Department of Social Protection, the lead Department on the issue of child poverty, has lead responsibility for a specific commitment to a national child-specific social target to lift over 70,000 children out of consistent poverty by 2020, a reduction of at least two thirds on the 2011 level.

My Department is working on a number of initiatives which are relevant in addressing issues related to child poverty. For example, it is leading the implementation of the area-based childhood programme 2013-16 which is being co-funded by Atlantic Philanthropies and will have a total funding allocation of up to €29.7 million. The programme draws on best international practice to break the cycle of child poverty where it is most deeply entrenched and improve the outcomes for children, young people and existing services.

My Department is spending €260 million annually on child care support programmes which provide child care for 100,000 children. A number of these programmes are targeted at those on

lowest incomes. The child care subvention programme provides subvention support for parents on low incomes and parents in receipt of certain social welfare payments whose children are enrolled in community child care facilities. Additionally, the three training and employment child care programmes - the child care education and training programme, the community employment child care programme and the after school child care programme - provide child care supports for eligible parents returning to work or education.

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

My Department also provides funding for targeted support for disadvantaged, marginalised and at-risk young people through three schemes. The three programmes are the special projects for youth scheme; the young people's facilities and services fund; and the local drugs task force projects. In addition, national and regional youth work organisations are supported under my Department's youth service grants scheme. In 2014 current funding of €49.78 million has been provided for my Department for these schemes. I am pleased to advise that budget 2015 has confirmed that funding of €49.78 million will again be provided for my Department in 2015 to support the provision of youth services. There will be no reduction in the overall allocation for youth services in 2015 which is a key priority for youth organisations.

**Deputy Caoimhghín Ó Caoláin:** Will the Minister accept that addressing child poverty is a cross-departmental responsibility? Will he also accept that children living in poverty are statistically more likely to become adults living in poverty and will rear their children in poverty, thus continuing the inter-generational cycle of disadvantage and marginalisation? If we do not address the issue comprehensively and across all Departments, many children will continue that cycle.

The Minister has indicated his intentions and the steps taken by his Department. He also cited the Department of Social Protection. How can we accept these intentions against the backdrop of severe cuts in family incomes and supports, including child benefit? How can we accept them when we see the failure to address the outrageous reality in primary schools where the pupil-teacher ratio is a scandal? How can we accept them when the most unwell children have been left without medical card cover and, as a consequence, without key supports? There is the example in his Department of so many children, to the point of thousands, being categorised as being at risk and yet who do not have designated social workers. It is not just about money in pockets, although that is hugely important, there are many other ways through which child poverty must be addressed. Will the Minister ensure there will be a cross-departmental approach in addressing this major issue for all of us?

**Deputy James Reilly:** The issue of inter-generational poverty is a source of serious concern for the Government and my Department, in particular. The Deputy is correct that it is not just about money. My Department also provides funding for supports targeted at disadvantaged, marginalised and at-risk young people through the three schemes to which I referred. There are other programmes such as the special projects for youth scheme, the young people's facilities and services fund and the local drugs task force projects. In addition, national and regional youth work organisations are supported under my Department's youth service grants scheme. In 2014 current funding of €49.78 million has been provided by my Department for these schemes. I am pleased to advise that budget 2015 has confirmed that this funding of €49.78 million will not be reduced and that the same sum will be available in 2015. The Deputy's point is well made. I express my gratitude to the fantastic volunteers who work with young people, the tens of thousands of youth volunteers who support youth work in the community.

The money we spend is money well spent in that it provides significant gains for communities and society.

**Deputy Caoimhghín Ó Caoláin:** I ask the Minister to consider and engage with his Cabinet colleagues on the establishment of a cross-departmental task force to address the issue of child poverty. I do not believe this is something which should be baulked at or regarded as almost unnecessary. We have to look at the facts as designated in the UNICEF report. I refer to Ireland's statistical position across the 41 countries surveyed, which include both OECD and European Union member democracies. Ireland is listed at No. 37, with only Croatia, Latvia, Greece and Iceland recording worse levels of child poverty. This is particularly attributable to the period 2008 to 2012 cited in the report. During the same period 18 of the countries surveyed actually recorded a reduction in child poverty. They included Chile, Australia and Poland which recorded a reduction of 7.9%. We are not getting it right. I know that it is not only the Minister's responsibility and I am not targeting him in that respect. However, as Minister for Children and Youth Affairs, he should be the lead Minister and head of the lead Department. I ask for his view of the proposition that a cross-departmental task force be established. I have instanced the different issues that can impact on the reality of life for a child which can be the reality of life for him or her throughout his or her lifetime. Therefore, I urge the Minister to consider that proposition.

**Deputy James Reilly:** I thank the Deputy. I wish to highlight a number of things. The Department of Children and Youth Affairs is unique in the manner in which it interacts with all other Departments regarding child and youth issues. Officials from the Departments of Justice and Equality, Health, and Education and Skills are permanently seconded to us. I am sure the Deputy will acknowledge that education is a major factor in helping people get out of the cycle of poverty. People who stay in education have better outcomes in terms of employment and income.

The Government's support for children and families amounts to €2.3 billion in 2014. This investment has had the effect of reducing the rate of risk of poverty among children from 45% to 19%, a reduction of 59%. This is among the best performances in reducing child poverty in the EU. As well as additional expenditure, budget 2015 committed to investing an additional €96 million in children's services. The UNICEF report relates to 2008 to 2012. These things have happened and much progress has been made, but by no means enough. I fully concur with the Deputy on the need for great co-operation across our Departments, which we have. We regularly meet people from the Department of Social Protection to discuss this.

The best way to tackle child poverty is to get people back to work. Children do not exist on their own; they exist in families. If their families can improve their situation by having a job and a steady income coming into the family home, that is the way forward. We have created 70,000 jobs since 2012. I do not want to turn this into any sort of political broadcast, but it is our intention to continue to focus on the area of better outcomes for our children.

### **Child Care Reports**

3. **Deputy Clare Daly** asked the Minister for Children and Youth Affairs his views on the second interim report of the child care reporting project, particularly the statement that approximately one in four care orders involves families in which one or more parent is of ethnic minority background; his further views on whether this is an over-representation compared with

families of dual Irish background; and if the Child and Family Agency will provide the reason ethnic minorities are so heavily over-represented in the family courts. [43988/14]

**Deputy Clare Daly:** The Minister will be aware that some very interesting and important data have emerged from the second interim report into the child care law reporting project, which revealed that one out of every four child care cases that ends up in the courts involves a family in which at least one parent is a member of an ethnic minority, and that African families are 20 times more likely to have a care order placed against their children. Clearly, this information needs to be analysed further. What are the Minister's initial opinions on the reasons for this?

**Deputy James Reilly:** The child care law reporting project is an independent project established under section 3 of the Child Care (Amendment) Act 2007 in accordance with the regulations made under that Act, with the support of the One Foundation, Atlantic Philanthropies and the Department of Children and Youth Affairs.

The aims and objectives of the project are to provide information to the public on child care proceedings in the courts; to conduct research on these proceedings in order to promote debate and inform policy-makers, which is what we are doing here today; to make recommendations to address any shortcomings in the care system identified by the research; to assist in the implementation of these recommendations; and to promote confidence in the care system. The project will provide a measure of the effectiveness of current systems and policies in the area of child protection and that of court administration. Ultimately it will assist the Department in gaining a greater depth of knowledge and understanding of care cases and it will increase the evidence base on which future policy formulation is based.

The project pursues its aims and objectives by attending the courts where care cases are heard in order to report on those proceedings while protecting the anonymity of the children and their families. The project publishes reports of care cases for the public and all relevant stakeholders, collects and analyses data from the proceedings, publishes reports on the nature and outcomes of the care proceedings and seeks to promote a public debate on the issues raised through seminars and conferences.

Child care cases, heard mainly in the District Court, involve applications by the Child and Family Agency for orders to protect children, including supervision orders, emergency and interim care orders and full care orders. Under supervision orders, families receive help and supervision from the agency. Under care orders, a child is placed in care on either an interim or a more permanent basis. The cases are heard *in camera* in order to protect the privacy of the children and their families. There are rarely written judgments in the District Court.

The second interim report, published last month, reported that while the majority, 70.4%, of the respondents in care cases are Irish, this is substantially less than the proportion of Irish-born people in the population as a whole. Some 7% of the respondents are European, the vast majority of whom come from Eastern Europe. The next largest category is "mixed", meaning that at least one parent is not Irish. This category includes two or more non-Irish parents from different backgrounds as well as Irish and non-Irish parents. Almost 4% of the respondents are recorded as Irish Travellers.

There is quite a bit more in the reply and, as I know the Deputy is concerned about this issue, after she asks her supplementary question I will come back to it.

**Deputy Clare Daly:** The Minister would clearly agree that data are very important to us in order to evaluate our policies and improve our services. We all agree that it is generally in the best interests of the child for him or her to remain with his or her parents if at all possible and for that family to receive the support it needs to get to that place. If a child is removed from his or her parents, it should be based on a reunification plan to get them back based on strict criteria for what the parents need to do in that regard.

It is emerging that a disproportionately large number of the children come from an ethnic background in which at least one parent is not Irish. That could be for a number of reasons. It could be related to the higher levels of poverty that exist in those groups, particularly among asylum seekers who are not permitted to work. There can also be cultural factors. In some African and eastern European countries, parents have a much stricter approach to discipline - this might echo the Ireland of a generation or two ago - whereby they might nearly be regarded as negligent parents if they do not bring up their children to respect authority in a way that we might deem to be unacceptably rough. Cultural training of social workers is critical. There needs to be support for families whose family network is not around them in Ireland. Other troublesome families have a family network to lean on if they are in trouble. People who have come to this country do not have that. We need to be sensitive and take on board some of those points.

**Deputy James Reilly:** I thank the Deputy for her contribution. She may have pre-empted what I was going to say. These are very serious issues.

The report's author notes that the cases in question represent a very heterogeneous group and the issues that bring them to the child care courts vary widely, so there is no single approach that could reduce the proportion of ethnic minority families at this juncture. For example, the category includes Irish Travellers, asylum seekers and other immigrants who may be highly educated and economically independent but, as the Deputy pointed out, have different cultural norms. Physical discipline emerged as an issue for children from some other immigrant communities. This raises issues of the need for early involvement of appropriately trained family support workers with immigrant families and community leaders, a point the Deputy also made very well.

The fact that such a high proportion of at-risk children come from ethnic minority communities highlights the need for cultural sensitivity, focused integration policies and cultural mediation services. The Child and Family Agency has advised that it brings cases to court solely on the basis of the evidence it has regarding the welfare and protection of children. The agency has introduced a training component on cultural competence for staff so that they may better understand the needs and diversity of the families concerned.

All of the variations in care applications and outcomes by regional, ethnic and family status that have been identified throughout the course of the project to date require further research to determine the reasons for the variations and to see how more targeted interventions can, where possible, ensure that the level of intervention is the most appropriate.

The Deputy's point on the social supports of the extended family is also well made.

**Deputy Clare Daly:** These are relatively new problems for a new agency to deal with. The most important thing is to flag them in order to attend to them. I believe that poverty and social exclusion in those communities represent a large part of it. We have a problem with re-

tention of social workers, with experienced social workers leaving the system because the only promotional path open to them is to take a managerial position, which takes them away from the front-line role they could play, in which they could be more effective. We need to look at retaining social workers' experience within the system, with training on cultural issues for the newer intake to be introduced.

*10 o'clock*

While this information has been very good in terms of what has ended up in the courts, does the Minister have a mechanism for ascertaining how similar data could be gathered within communities before the matter ends up in court? Are there similar discrepancies and plans to address the issue of the gathering of such information?

**Deputy James Reilly:** Again, I thank the Deputy for her contribution because, obviously, the earlier one intervenes the better and if there is a mechanism for obtaining information early before people actually arrive at the court, clearly that would be preferable. It is important to state, however, that this reporting project is in its early stages. This is only the second interim report and it is not possible to reach firm conclusions based on the information available at this stage. The variations in the numbers of child care applications and outcomes, including by region, ethnicity and family status, that have been identified by the project to date require further research to determine the reasons for them and establish how more targeted interventions could, where possible, ensure the level of intervention was at the most appropriate.

I hear the Deputy's issue about people who are trained professionally moving into management positions and leaving gaps at the front. Equally, however, I am greatly concerned that social workers do the work for which they have been trained and not do work that others at a lower professional level could do. I refer, for example, to being caught up in book work and clerical work. There is an issue concerning information technology in this area, as many social workers are still reduced to using pen and paper and do not have access to modern information technology that would make their job a lot more efficient, feed information back to the Department much more quickly and allow it to analyse the information more thoroughly.

### **Child Care Services Provision**

4. **Deputy Robert Troy** asked the Minister for Children and Youth Affairs in view of the continuing pressures being voiced by the early childhood sector regarding threats to the financial sustainability of services, the plans in place to address the current sustainability crisis faced by the sector; if his Department has brought the issue of charging early childhood services commercial rates to the attention of the Valuation Office as an immediate threat to the sustainability of services; and if he will make a statement on the matter. [44219/14]

**Deputy Robert Troy:** In view of the continuing pressures being articulated by the early childhood sector regarding threats to the financial sustainability of services, what plans does the Minister have in place to address this issue in the future? As for commercial rates being levied on the early childhood services sector, has the Minister had discussions with the relevant Minister on amending this practice in the future?

**Deputy James Reilly:** I am aware of and concerned by the sustainability issues for the early years services and have met many of the groups concerned. Annual funding in the region

of €260 million is provided for the child care sector to support a number of child care programmes implemented by the Department. These programmes include the community child care subvention, CCS, programme, the early childhood care and education, ECCE, programme and a number of labour activation initiatives under the training and employment child care programmes. These programmes and, in particular, the early childhood care and education programme provide a guaranteed source of income for the participating services and given that many parents otherwise would not be able to avail of preschool care and education for their children, the funding has ensured many child care services, both commercial and community, have the resources to continue to operate.

I am aware of the rates issue and despite the budgetary position that prevailed in recent years, the Government has maintained the funding necessary to support the child care programmes and introduced new initiatives to meet changing circumstances, particularly with regard to the improved employment opportunities in the economy. As funding becomes available, I hope the capitation rates for all programmes can be increased to provide further support. This concerns the rate of pay. However, following concerns expressed by child care providers throughout the country, the issue of commercial rates on preschool services was raised with the previous Minister for the Environment, Community and Local Government and the concerns of child care providers about commercial rates were brought to the attention of officials in the Department of Public Expenditure and Reform. Officials from my Department recently met representatives of the Department of Public Expenditure and Reform in the context of the Valuation (Amendment) (No. 2) Bill 2012 that is going through the Houses of the Oireachtas and discussed the issue of commercial rates on preschool services. Moreover, I have spoken to the Minister and I am pleased to announce the Government recently has approved an amendment to the Bill to exempt not-for-profit child care providers from rates.

**Deputy Robert Troy:** The simple fact is that the cost of child care is crippling young families. This week Members learned from the media what the Minister would not do, but they have yet to hear what he intends to do to address this phenomenon. At the same time, these exorbitant child care costs are being incurred and the future sustainability of the services is under threat. The Minister referred to a couple of schemes funded through his Department. Is he aware that there are more than 4,200 services operating in Ireland, of which only 30% operate on a community not-for-profit basis? Only 30% of these services can avail of the ECCE or the CCS scheme. The Minister referred to the ECCE scheme introduced by the previous Government, but it is for three hours a day, for 38 weeks in a year, which does not address the affordability of child care. The Minister must examine the various regulations and conditions set by the Department of Children and Youth Affairs that are making matters unbearable for service providers. Moreover, he must consider ensuring the capitation grants and funding provided by his Department are made available on time because that is not the case at present, which is adding further problems to the services.

**Deputy James Reilly:** For the information of the Deputy, approximately 4,200 child care services, including community child care services, are participating in the ECCE scheme, that is, the free preschool year programme.

**Deputy Robert Troy:** That is what I said.

**Deputy James Reilly:** The total annual funding provided to support the programme is approximately €175 million. I believe the Deputy indicated that only a small number of them were involved.

**Deputy Robert Troy:** No, I referred to the CCS scheme.

**Deputy James Reilly:** The capitation payments provided under the programme are made in advance and early in each school term. This funding is a major support for child care providers, particularly at a time when, because of economic circumstances and the position on employment, the demand for child care places is reduced.

The Deputy contended that earlier in the week he learned what I was not going to do. He may have learned from the reply to a parliamentary question what officials are highlighting and recommending, as opposed to decisions I, as Minister, have made on the policies required to address what all Members know is a serious expense in the cost of child care which is akin to a second mortgage for most families. The Government is acutely aware of this and developing a strategy for the early years that will help it to address this issue. It will not be a single strand simply involving talk of a second free preschool year. Everybody realises those in primary school and early secondary school are in serious trouble with child care issues which the Government will address.

**Deputy Robert Troy:** I am aware that there are 4,200 service providers under the ECCE scheme. I was talking about the community child care subvention scheme. Is the Minister aware of the difference between the two schemes because only 30% of service providers can administer and operate the community child care subvention? I welcome his commitment that the early years strategy will deal with the affordability of child care. When will Members have sight of the strategy because it has been promised for more than two years? As for the sustainability of the child care sector, can consideration also be given to commissioning a sustainability audit for the early childhood sector as part of the early years strategy? I note that in most counties the community not-for-profit sector is exempt from commercial rates and that what is being introduced in the valuation legislation merely will ensure consistency nationwide. However, as the Minister is aware, the private service providers also provide a service for the State and as some might argue they are providing a service the State should be providing, they also should be given special consideration in the rates they pay.

**Deputy James Reilly:** If a provider can demonstrate it is operating on a not-for-profit basis, it will not be obliged to pay rates. However, if it is in the business of making a profit and money, it will pay rates, just like all other businesses. There are anomalies in other areas such as health board premises and private surgeries despite the fact that those operating from them are delivering the same service across the board. There are issues for rateable valuations across the business sector. We are addressing the issue of those who provide not-for-profit services. That is appropriate and proper. Child care and child care costs are issues of great concern to the Government. From the child's point of view, however, money spent in the first three years yields the best outcome for him or her. As Minister for Children and Youth Affairs, I am in charge of the Child and Family Agency which is answerable to the Department and I am very concerned about and aware that the well-being of the family has a significant influence on the well-being of the child. That is why I am so concerned about child care costs and I am discussing these issues with my Cabinet colleagues.

## **Adoption Legislation**

5. **Deputy Clare Daly** asked the Minister for Children and Youth Affairs in view of the delay in the publication of long-promised legislation on adoption and tracing, if he will consider

supporting the Adoption (Identity and Information) Bill 2014; and if he will make a statement on the matter. [43989/14]

**Deputy Clare Daly:** I am conscious that the Minister is the third to hold this brief. Since I was elected to the Dáil I have been raising the issue of adoption information and tracing legislation on behalf of the 50,000 adopted people in Ireland who do not have an automatic right to their birth certificates listing their original names and parents' details, a right that others take for granted. This legislation has been promised every year and we are told it is on the way. It now looks very likely that it will not be delivered in the lifetime of the Government, unless the Minister decides to support the Adoption (Identity and Information) Bill 2014 recently brought forward by Senator Jillian van Turnhout. What is the Minister's opinion on that Bill which can offer a way forward to ensuring the rights of these citizens?

**Deputy James Reilly:** It will not be the case that this issue will not be addressed during the lifetime of the Government, as it very definitely will be. The House will be aware that the Adoption (Identity and Information) Bill 2014, introduced by Senators Averil Power, Jillian van Turnhout and Fidelma Healy Eames, will be debated in the Seanad this evening. The Department has considered the draft Bill and noted that there is much to be commended in it and, in relation to the areas of concern that it addresses, it is very much in line with the tenor of the draft Bill being prepared in the Department. On this basis, I will not be opposing the Bill, but I understand some aspects of it may not have full regard to all of the constitutional issues which are engaged. The Bill is being fully reviewed as part of the ongoing work in the drafting of my own proposed Bill on adoption information and tracing.

I acknowledge that the current position in Ireland is that there is no legal basis for the provision of services in regard to information and tracing for those affected by adoption. I am taking a positive and proactive approach to introducing measures to address this situation. In this context, I have instigated the following policy and operational developments: development of an adoption (information and tracing) general scheme and heads of Bill which will provide for statutory access to adoption records and birth information. This work is well under way. There were two iterations of heads of Bill before I came into the Department. The heads will provide access to records for birth parents and adopted persons in so far as is possible in line with legal advice. I am proposing as progressive an approach as is possible within the significant legal and operational complexities which arise in giving effect to this objective. The proposed legislation will provide, among other things, for placing the national adoption contact preference register on a statutory basis; arranging for the management of adoption records; setting out the information to be provided and circumstances in which it can be provided both for retrospective and prospective adoptions; and providing for information and tracing support services.

**Deputy Clare Daly:** My understanding is that the Government will be more short-lived than the Minister thinks. Time is running out for him. I am cognisant of the fact that we have heard similar promises before. I do not blame the Minister personally for this, but every year we are told that the heads of the Bill are near to fruition. I am concerned that departmental officials complement many aspects of the Seanad Bill. The Senators brought forward this legislation off their own bat without the resources of the Department, which leads one to ask why there was such a delay in the first place. I am concerned when the Minister talks about what is possible because the biggest impediment has been an over-conservative interpretation of the *I O'T v. B* ruling on the right to privacy which the Government and others have interpreted as closing the door on people's right to information when the Supreme Court, in fact, stated the right should be balanced with people's right to an identity. The Bill provides the balance to do

this and would bring Ireland into compliance with the United Nations Convention on the Rights of the Child and the recognition in the European Court of Human Rights and the Constitution of a person's identity. It would be more expedient to support the Bill considering that it has been drafted to get us to the next stage.

**Deputy James Reilly:** The Taoiseach has made it very clear that the Government will go to the end of its term, but the Deputy may have other ideas and is entitled to entertain them.

On this issue and given the timing, with no disrespect to the Deputy who is engaged in this area, I feel a certain deference to the three Senators to debate the issue in the Seanad rather than pre-empt the outcome here. Time does not allow us to go through the Bill and the issues therein that must be addressed, but I thank the Senators for the work they have done. It is my intention to have the general scheme and heads of the Bill finalised as soon as possible and submitted for consideration by the Government in advance of referral to the Oireachtas Joint Committee on Health and Children. This will be the subject of consultation with all relevant Departments in advance. I have met several groups in this regard. In parallel, I have requested officials to commence an examination of operational arrangements for the preservation of, and access to, adoption records both to secure existing service provision and to make ready for any proposed new legislation. I am conscious that the draft Bill seeks to legislate for some of the matters that I am proposing to address in the general scheme and heads of the adoption (information and tracing) Bill. I have given the matter careful consideration and look forward to a constructive debate on this important issue in the Seanad this evening.

## Other Questions

### School Completion Programme

6. **Deputy Seán Ó Feargháil** asked the Minister for Children and Youth Affairs if the school completion programme will be continued in 2015; and if he will make a statement on the matter. [43978/14]

**Deputy Seán Ó Feargháil:** In 2002 the school completion programme was initiated with the intention of supporting vulnerable children at primary and post-primary levels. One of the particular objectives was to ensure their successful participation in the education system and their retention therein. My question seeks to ascertain the Minister's commitment, as a new Minister in the Department, to continuing the programme in 2015, given that it has been subsumed into Tusla.

**Deputy James Reilly:** The school completion programme aims to retain young people in the formal education system to the completion of senior cycle and generally improve the school attendance, participation and retention of young people at risk of educational disadvantage. The programme is a targeted intervention aimed at school communities identified through the Department of Education and Skills' delivering equality of opportunity in schools, DEIS, action plan for educational inclusion. It provides targeted supports for 36,000 children.

Since 1 January 2014, the Child and Family Agency has had operational responsibility for the school completion programme, including the allocation of funds to local projects. In 2014

an allocation of €24.756 million has been provided for the school completion programme. The agency has approved local projects' school retention plans for the 2014-15 academic year. The first instalment of funding has issued to local projects and further instalments will issue in December 2014 and May 2015. The Estimate for the agency for 2015 is €635 million, a 4.3% increase on its 2014 allocation. In December, the Department will issue a performance statement under section 45 of the Child and Family Agency Act 2013. This will include my priorities for consideration in the development of the 2015 plan. This business plan will set out the agency's proposed activities, programmes and priorities for 2015 in light of the moneys available.

A review of the school completion programme has commenced. It is being carried out by the ESRI following a procurement process managed by the agency. The programme has been in operation since 2002 and I believe it is timely that a review be carried out. The review is an important initiative to plan for the future development of the programme. It is envisaged that the review will be completed during the 2014-2015 academic year.

**Deputy Seán Ó Fearghail:** The importance of this programme cannot be underestimated, and every public representative in the House sees its value. The programme works in 82 clusters of schools throughout the country, with 229 primary schools and 112 post-primary schools participating. The value of the programme, in so far as it is active, engages families in the community and has an inter-agency approach, cannot be undermined.

In 2011, in the midst of the crisis, the programme had a budget of €30 million. At present its budget is €24.75 million, as the Minister stated. Will he give us a commitment that the funding for the school completion programme will be ring-fenced and will not be raided by Tusla in the way the HSE raided many other dedicated budgets in the past?

**Deputy James Reilly:** Many of the people who work in the Child and Family Agency came from the HSE, where they did sterling work. Tusla is a new agency independent of the HSE. It has many working relationships with it, particularly in services such as psychology. I remind the Deputy of what I stated: that the review is an important initiative to plan for the future development of the programme. The programme is critical for young people at risk of falling out of education. As I stated, everybody knows that people who finish their education do better in terms of employment and income, and it has many other benefits which sometimes help break the inter-generational poverty trap into which people have fallen. My commitment to the programme is absolute and there is no question but that it will continue and that it is a top priority for me. I believe in its importance, as the Deputy outlined.

Tusla will have to submit its corporate plan, a draft of which I have, and I will make my findings known to it very shortly. The Tusla budget has increased this year; therefore, there is absolutely no rationale for a reduction in this particular programme.

**Deputy Seán Ó Fearghail:** Will we see an increase in the school completion budget this year, which is what we need given the increasing number of children in the system, the increasing complexities with which those in the school completion programme must deal, and the fact that the Government has slashed the guidance service available to schools throughout the country? In recent weeks I visited a disadvantaged school and met one guidance counsellor trying to cope with more than 800 students. The availability of a school completion programme in locations such as this is absolutely essential. More than anyone, the Minister realises the importance of preventing problems. He is quite correct to state that if the school completion programme can operate effectively it prevents people from falling into various categories which

later cost the State a huge amount to deal with. Will the Minister give us a commitment to ring-fence funding for the school completion programme and increase it in line with Tusla's budgetary increases?

**Deputy James Reilly:** The Deputy spoke about the slashing of services which has occurred in recent years since the Government took office and found not only that the coffers were empty but that there were large bills in every cubbyhole-----

**Deputy Seán Ó Fearghail:** That is redundant old rubbish at this stage.

**Deputy James Reilly:** It is not. The facts do not change just because they are uncomfortable. As an old lady once said to me, the truth is not fragile; it will not break. The truth is that we know why we had to do what we had to do.

**Deputy Seán Ó Fearghail:** The truth is that you are in office, so deal with the problem.

**Deputy James Reilly:** The truth of the matter is that our economy is recovering due to the sacrifices made by the Irish people and the policies pursued by the Government. We now have, for the first time in several years, a budget which has increased. I will ensure the school completion programme is protected. I want to see it enhanced. The review to which I alluded is critical because many times - I do not just blame the previous Government but successive Governments - policies which appeared to be well-intentioned and sought better outcomes transpired not to deliver these. We must continually review what we do to inform ourselves that what we are doing is delivering what we seek.

### **Mother and Baby Homes Inquiries**

7. **Deputy Clare Daly** asked the Minister for Children and Youth Affairs the reason for the delay in the establishment of a commission of investigation into mother and baby homes; and if he will make a statement on the matter. [43924/14]

**Deputy Clare Daly:** I am aware that since the question was submitted there has been some movement on this issue, and the Minister met the coalition of mother and baby homes survivors last week. They felt he understood the points they made on the urgency of establishing this commission of inquiry into the homes and the need for the process to be all-inclusive. Will the Minister update the House in this regard?

**Deputy James Reilly:** I thank the Deputy for her question. The Government has undertaken to establish a statutory commission of investigation into matters relating to mother and baby homes in accordance with the motion passed by this House on 11 June. Considerable progress has been achieved since this date, including the publication of the interdepartmental group's report, the announcement that Judge Yvonne Murphy will chair the commission and an inclusive consultation process with stakeholders.

The establishment of any statutory investigation is a significant undertaking. The scale and sensitivity of the specific concerns relating to mother and baby homes, as evident from the interdepartmental report and submissions received from interested parties, simply demands that I take the necessary time for detailed consideration of these complex matters. The Deputy mentioned earlier that I am the third Minister at the Department since its establishment at the beginning of this Government's term of office. I felt it important that I met all of the groups.

Although the necessity of providing the commission with appropriate terms of reference may be generally accepted, the task of achieving the required precision should not be underestimated. Our collective desire to finalise these arrangements quickly must be balanced against the clear obligation to the mothers and children who were in these institutions to get this process right from the start. Due care and attention at this formative stage should not be interpreted as anything else.

I am confident that we are now approaching the conclusion of this deliberative process. My priority remains the establishment of a commission that can deliver on public expectations in a realistic manner by providing a full account of what happened in these homes. Following discussions with colleagues across Government, the work of developing the terms of reference is now well advanced. In addition, my Department is working with Judge Murphy to advance the operational arrangements and determine the resources required to support the commission's work, because we are required to be able to cost this when we submit it to Government.

In parallel with this work I am consulting a number of key stakeholders to update them on the emerging issues and seek their further views. As I advised the joint Oireachtas committee last week, at least some of the issues being raised extend beyond the central focus on mother and baby homes as debated in the House. However, I am confident that this inclusive approach will greatly assist the establishment of an effective inquiry which has the support of those most centrally involved.

Following the finalisation of the terms of reference in the coming weeks, it is my intention to bring the matter to Government as soon as possible thereafter.

**Deputy Clare Daly:** I hope the terms of reference will be debated here also. It is a big project and must be done right, but there must also be a certain urgency in this regard. There is a certain irony that while the Minister was meeting the survivors last week and the Taoiseach was here stating that all allegations of sexual abuse should be thoroughly investigated, some of the victims of such practices in some of the institutions are being excluded from this scheme. I again stress that this must be survivor-centred. All former residents of all institutions must be included. No one can be left behind. The vast majority of people were in nine mother and baby homes but the small minority who were outside these cannot be excluded. Again, I emphasise that areas like Westbank must be included. I imagine the Minister is aware that most of the mother and baby homes were certified for more children than mothers. Most of them had 50 or 100 extra children. They were in effect orphanages. The fact that some of the orphanages were not geographically linked to the mother and baby home and were in separate areas like Westbank or St. Philomena's Home does not mean they were not part of the same process or feeding, as part of which women went from mother and baby homes to county homes to orphanages to holding centres and so on. They must be included in the process.

**An Ceann Comhairle:** Sorry, Deputy, we are over time. I will let you back in again.

**Deputy James Reilly:** The Deputy is quite right: this is urgent and yet it is a major undertaking. If we get the terms of reference wrong at the outset we will be unable to answer the questions that people want answered. If we end up with a commission that takes ten years to report, it would not be in anyone's interests. We must define the terms of reference in a manner that allows the commission to do its work, get the answers that people want and do so in a timely and cost-effective way. No one in this House wants to see vast sums of money which should be going to people who have suffered being spent on tribunals and the legal profession,

with no disrespect to that profession.

I wish to make it clear that I want to be as inclusive as possible in respect of the issues Deputy Daly has raised. The challenge facing me is to find a methodology of doing so in a timely way. Some of the people involved in the home that Deputy Daly referred to are now in their 70s. Certainly, it does not serve them to allow this to go on for ten years or more.

**Deputy Clare Daly:** I imagine the Minister will have the full support of the House for an all-inclusive approach. I hope the recognition that in effect a network existed whereby people went from homes into these institutions is taken into account, because we cannot cherry-pick victims. I am mindful of that many of the survivors have prepared a complaint for the United Nations Committee Against Torture. As the Minister said, the age profile is not improving. Their requests should be acceded to as smoothly as possible. Can the Minister indicate whether we will see it this side of the Dáil term? Can we expect to get the terms of reference? The Minister has indicated to survivors that it might take three years. When are we likely to see it being kicked off?

**Deputy Caoimhghín Ó Caoláin:** I wish to make a supportive intervention following what Deputy Daly has already recorded. It is not only the Westbank orphanage but the Church of Ireland Magdalen home in Dublin as well. I strongly appeal to the Minister not to exclude any of those Protestant interests who have been campaigning for full inclusivity which, as the Minister is aware, I have argued for consistently.

**Deputy James Reilly:** I thank the Deputies. Again, I confirm that of course there will be a debate in the House on the terms of reference. Equally, I am not in a position to say on the floor of the Dáil today what will be included or excluded because the work is not complete. However, I emphasise that we are examining means and ways, while staying within the spirit and the letter of the motion the Dáil passed last year. At the same time we are trying to find mechanisms and ways to include all those who believe they should be included as well as finding a mechanism to allow the commission to do its work in a timely fashion. The Deputy referred to a period of 36 months. Certainly our goal is that it would report within that period or sooner, if possible, although it is difficult to see how it could do so given the complexities around this and the vast array of institutions involved.

## Children in Care

8. **Deputy Maureen O'Sullivan** asked the Minister for Children and Youth Affairs to detail the numbers and the cost to the State due to children being put in foster care because of their mothers being homeless; whether his attention has been drawn to the number of women in crisis pregnancies facing homelessness who will have to put their babies in foster care; and if he will make a statement on the matter. [43931/14]

**Deputy Maureen O'Sullivan:** My question relates to the numbers of children in foster care because their mothers are homeless. It also relates to those women in crisis pregnancies who are facing homelessness and the fact that they may have to put their babies into foster care.

**Deputy James Reilly:** I thank the Deputy for her question. The role of Tusla is to provide alternative care for a child in cases where there is a need to do so because of concerns in respect of the safety and welfare of the child.

In cases where the social work team has assessed that housing or accommodation is the core issue that needs to be addressed, then they are referred to the local authority, which has statutory responsibility for housing. The social work team will seek to ensure that the needs and welfare of the child are given the highest consideration and may provide a parental supporting role, usually through a family support service. This service can include guidance, counselling or access to supports such as breakfast or homework clubs. However, the financial or economic status of the parent or the issue of homelessness itself are not grounds for seeking a care order through the courts or for placing a child in voluntary care.

Reasons for a child to be received into care are tracked by the agency. However, homelessness of the parent or parents is not a characteristic which is captured, as it would not be a sufficient reason for a child to be in care. For that reason, the agency is not in a position to provide such data.

The agency reported that for the full year of 2012 there were 2,070 children taken into care. In total 1,115, that is 53%, were admitted to care due to child welfare concerns; 593, or approximately 28%, were admitted to care due to neglect; 173, or 8.4%, were admitted to care due to physical abuse; 154, or 7.4%, were admitted to care due to emotional abuse; and 35, or 1.7%, were admitted to care due to sexual abuse.

Dublin City Council has launched a homeless prevention programme and public awareness campaign around families and others relating to their tenant rights. This initiative, which involves the four local authorities and Threshold, aims to support families where they are at risk of homelessness. A helpline service has already dealt with over 2,000 calls and has helped families at risk to protect over 200 tenancies.

**Deputy Maureen O'Sullivan:** The Minister has given me the theory but the reality is different. Part of the reality is that there is a serious housing crisis, particularly in Dublin, and that the local authorities do not have the housing that is needed.

My question came from the fact that I am involved with a counselling organisation that counsels women in crisis pregnancies. Some of the women whom we are counselling are homeless at the moment. When their babies are born they will continue in homelessness. That is what they are facing. They will have to look for foster care for their babies.

This work, in turn, put me in touch with an organisation that provides housing for women in crisis pregnancies. It has three bedrooms but a waiting list of 29 women who are pregnant. The majority are Irish but some are foreign national women who cannot go back to their country of origin. We know of 29 people who are pregnant and about to give birth in the coming weeks and months. They do not have anywhere to live apart from this one house with three bedrooms provided by one organisation. That is the reality.

**Deputy James Reilly:** The information the Deputy has given me is something that we will further investigate. I would be astonished in this day and age that any woman would have to give up a baby simply because she has no accommodation. There are several agencies in the country which will provide accommodation. Let us go backward in time. We have discussed what happened in the past, when women had to give up their children because of societal, parental or institutional pressure. We are discussing it now because of a homeless situation.

I met a lady yesterday - obviously, I will not mention her name. She told me a harrowing story of how she went to court to claim her baby but was asked by the judge whether she had

any place to provide for the baby. That dates back several decades but the point is that it is not a tolerable situation. If Deputy O'Sullivan has a list of names of individuals who find themselves in this situation then I would be happy to accept it and find out what arrangements are being put in place. It may not necessarily be my Department's remit, but I will certainly make representations to the appropriate Departments to have this resolved.

**Deputy Maureen O'Sullivan:** I thank the Minister for his reply. I will certainly forward the information to him. We have talked about other programmes which were very much in favour of early childhood care and school completion, but even before that we must provide these women and their babies with a good start. I will send on the information, because that is the reality.

**Deputy James Reilly:** I used the word "astonished". Equally, I would be horrified if that were the case.

### **Value for Money Reviews**

9. **Deputy Maureen O'Sullivan** asked the Minister for Children and Youth Affairs when the value for money and policy review of youth schemes, including the young people's facilities and services fund, will be published; if this will be followed by consultations with stakeholders; and if he will provide a date for a meeting of the national assessment committee. [43932/14]

**Deputy Maureen O'Sullivan:** A value for money and policy review was carried out on the young people's facilities and services fund. Those involved with young people are wondering when it will be published and if there will be consultation with stakeholders. Allied with that is the national assessment committee, which has not met in quite some time. Again, those involved with young people are anxious to have that monitoring committee meet again.

**Deputy James Reilly:** The value for money and policy review of the youth programmes that target young people at risk of disadvantage, including the young people's facilities and services fund, has been finalised. The review recommends changes to youth funding programmes to ensure evidence-based, effective, value-for-money services that secure the best outcomes for young people, particularly vulnerable young people. I intend that all stakeholders providing services for young people will have the opportunity to discuss the review's findings and recommendations. My Department has developed a detailed consultation plan, which will be launched before Christmas. I have met with leaders in the area to assure them that they will have a meaningful consultation on the implementation of the findings of the report.

Consultation with stakeholders will take place in the context of the national youth strategy being developed by my Department. The strategy will have a particular focus on young people who are vulnerable and need additional supports. The intention is to work collaboratively with youth service interests, including national youth organisations and education and training board youth officers, to see how the review's recommendations will be implemented over the next two years in the context of the national youth strategy. The National Youth Council of Ireland, the City of Dublin Youth Service Board and the community and voluntary representatives who have served on the national assessment committee will have an important role in this process.

**Deputy Maureen O'Sullivan:** I have a particular interest in the young people's facilities and services fund. When it was originally established in the late 1990s, I chaired the develop-

ment group for the north inner city, and I was very aware of the extent of the consultation that went on at that stage. The fund has done great work and targets areas in which young people are most at risk from drugs. While every community, town and village is at risk from drugs, there are some areas that are particularly vulnerable. I represent some of them. The fund addressed these issues, but it has gone off the boil recently. It is important to bring an impetus back to this. Just this week, two young people died in the inner city from a new drug called ice. That is the reality of what is happening on the ground. It is important to keep an eye on whom the fund targets. While it is good that the review will come before Christmas and that the consultation process will begin quickly, I ask that the Minister listen to the front-line workers who are working with young people in those areas.

**Deputy James Reilly:** The Department is absolutely committed to the consultation process. The Deputy mentioned the monitoring group, and we will certainly look to see when that will meet again. I inform the House that arrangements are being made by my Department to publish the value-for-money review in the coming weeks and to convene a meeting of the national assessment committee promptly thereafter.

**Deputy Maureen O’Sullivan:** I hope the key word is “promptly”. I asked a question of the Deputy’s predecessor about when the national assessment committee would be meeting. It was almost as if it was not considered necessary because the funding had been set up. However, the committee keeps an eye on what the report is doing, which is ensuring that the funding, services and facilities go to those who are most at risk. It is also ensuring that there is value for money and an evidence-based approach. It is very important that the national assessment committee, to which the Minister is committed, meets more regularly. It is quite some time since it has met. In the meantime, services and facilities have continued to be provided, and the committee wants to meet to ensure they are going to the most at-risk areas.

**Deputy James Reilly:** I thank the Deputy for her comments. I agree that the national assessment committee should meet on a regular basis. I have made the point in reply to earlier questions that we are very concerned across Government, as I am in my own Department, that our policies are evidence-based and that the money we spend delivers the outcomes we desire - that is, better outcomes for children. There have been various reports across different agencies which suggest that things could be done differently and more effectively, and we must address those issues. Some of them may be real and some imagined, but unless we have hard, objective evidence we cannot make those calls. In fairness to everyone working in the sector, they all want to improve outcomes for young people. As I said in reply to the first question, I express my gratitude and that of the Government and the Department of Children and Youth Affairs for the fantastic volunteerism in the sector.

### **Foster Care Provision**

10. **Deputy Robert Troy** asked the Minister for Children and Youth Affairs how he proposes to address the crisis in the number of persons offering themselves for foster parenting; and if he will make a statement on the matter. [43974/14]

**Deputy Robert Troy:** How does the Minister propose to address the crisis in the number of people offering themselves for foster parenting, particularly in the north Dublin city area?

**Deputy James Reilly:** Fostering is one of the main components of care for children in care,

and it is a very successful one. When we compare ourselves internationally, we can see that we have one of the highest rates of family-based care and that other countries are striving towards what we have already achieved. The idea of many children being in institutions is now really a thing of the past, and rightly so. Overall, the foster care role is well funded and the take-up of the fostering service provided through the Child and Family Agency is high. Of children in care, 93% are being cared for in a foster care setting by around 4,250 foster carers.

While I do not consider that there is a crisis, in light of the success we are having in delivering foster care, I note that it can sometimes be a challenge to place children within their local communities, which we want to do. The Deputy has mentioned a particular area. That said, there is an ongoing need to recruit, as foster carers may come off the register for various reasons, including age, health or simply the demands of their own family lives. A fostering recruitment campaign for Dublin north city was launched by the Minister of State with responsibility for equality, new communities and culture only last week. I understand it went very well and that the public response has been positive.

On foot of the robust process of training and assessment that potential foster carers must complete, we only bring onto the foster care panel those who are suitable and dedicated carers. Children and adolescents in care do not form a uniform group. Some can have moderate or severe disabilities and, perhaps, anger and trust issues. They may have different language, cultural and dietary needs. They may be in the company of siblings. As the Deputy can imagine, we require a complex mix of skills, capabilities and experience on the foster carer panel in order to deliver the best service possible. The agency and organisations such as the Irish Foster Care Association keep fostering in the public eye with general and targeted campaigns. I had the pleasure of opening the association's conference at the weekend.

While I do not agree that there is a crisis, we can never take for granted that there are enough foster carers available to support children and their families at a very vulnerable time in their lives. We need to continue to recruit suitable and loving foster carers and to publicise the fact that fostering delivers great benefits for children, their families and their communities. Such is the bond that grows between foster parents and their children that a huge number of children continue to be supported emotionally and financially by their foster parents after the age of 18.

**Deputy Robert Troy:** I acknowledge that the care provided through fostering is at a high level, which is only right and proper. However, one third of the children put forward for fostering in the north Dublin city area to date in 2014 have had to be housed outside their area. That means they were removed from their own communities, taken out of the schools they were attending and taken away from friends. That is not right or proper. While the Minister might not have the details about the specific area now, I would welcome it if he would come back to me with information on how we can attract extra foster parents in the north Dublin city area.

**Deputy James Reilly:** I am happy to do that.

*Written Answers follow Adjournment.*

### **Business of Dáil**

**An Leas-Cheann Comhairle:** The Government Chief Whip has indicated that he wishes to make a proposal regarding today's business.

**Minister of State at the Department of the Taoiseach (Deputy Paul Kehoe):** It is proposed, notwithstanding anything in Standing Orders and the order of the Dáil of Tuesday, 18 November 2014, that the opening speeches on No. 20*b*, motion re water sector reforms, of a Minister or a Minister of State and the main spokespersons for Fianna Fáil, Sinn Féin and the Technical Group who shall be called upon in that order shall not exceed 30 minutes in each case and that such Members may share time.

**An Leas-Cheann Comhairle:** Is that agreed? Agreed.

### **Social Welfare Bill 2014: Second Stage (Resumed)**

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

**An Leas-Cheann Comhairle:** Deputy Michael Healy-Rae was in possession when the debate was adjourned yesterday.

**Deputy Michael Healy-Rae:** I thank the Minister of State, Deputy Kevin Humphreys, for attending and the Technical Group for allowing me to use some of its speaking time.

I propose to continue in the same vein as my contribution last night. The purpose of social welfare is to protect vulnerable people and ensure sufficient money is available to take care of people with particular needs such as the disabled, the elderly and those who are ill. The Government has done a great disservice to such persons by establishing Irish Water, on which it has wasted hundreds of millions of euro. When one includes the cost of the bureaucracy involved, the real cost of installing each water meter is between €800 and €1,000. How can the Minister of State stand over such waste, especially given the probability that none of the water meters will ever be read? This waste is occurring at a time when we are trying to save money and provide services for vulnerable people such as the disabled.

The Department is engaged in a witch hunt in which it seeks, through the review of entitlements, to cut off benefits to social welfare recipients. Under these so-called reviews, persons who receive a review letter and make a mistake in their responses, fail to submit sufficient information or miss the deadline for responding will have their payments cut. The individuals concerned are experiencing difficult and perhaps traumatic times in their lives through illness and other factors. A frightening number of my constituents are undergoing reviews and the position in my constituency is reflected throughout the country. It is similar to what occurred in the case of reviews of discretionary medical cards, on which the Government was forced to do a U-turn when it was given a kicking in the local and European elections. The practice is disgraceful. Why is the Department picking on vulnerable people by reviewing such a large number of cases and hurting so many when it has no problem in creating a monster, Irish Water, and wasting hundreds of millions of euro on it?

If the Tánaiste and the Taoiseach are running Irish Water, why does the company need a chief executive officer? What does the CEO do and why is he being paid if the Government is running the show and doing so many U-turns? The Government leaked figures for what the water charges would be. Its announcements on Irish Water depend on how many thousands of people protest on the streets. It expresses surprise that the mood among water protestors has turned to anger. While I do not agree with violence or nastiness, I can understand the reason for what has happened. The Tánaiste looked down her nose at people and taunted them about

having excellent cameras in their mobile phones. What type of nonsense was that? Who, in the name of God, does the Tánaiste think she is in looking down on respectable people who engage in protests and making smart comments? The Government then wonders why people are outraged.

**An Leas-Cheann Comhairle:** The Deputy is straying from the Bill.

**Deputy Michael Healy-Rae:** I am speaking about money.

**An Leas-Cheann Comhairle:** The Bill deals with social welfare.

**Deputy Michael Healy-Rae:** Yes, I am speaking about money for social welfare payments. Why is the Department trawling through people's entitlements in an effort to reduce payments? The Government has wasted large amounts of money and will go down in the history books as being a disgrace for creating Irish Water. Government back bench Deputies have been in a coma and did not open their mouths about Irish Water. They saw nothing wrong with it and went along with the Government's bidding, which was disgraceful.

**Deputy Derek Keating:** On a point of order, the Deputy's contribution is not related to the Bill.

**An Leas-Cheann Comhairle:** Yes, he must conclude in one minute.

**Deputy Michael Healy-Rae:** I did not realise Deputy Keating was running the show. I am entitled to speak.

To return to the money from the Department that is to be repaid - a point raised by Deputy Robert Troy in an earlier discussion - from where will the money needed to repair the pipes come? The pipes should have been repaired in the first instance. The Government has created a monster without a single pipe being repaired. It seems not one penny will be available to repair pipes because all of the money will have been wasted on bonuses. The trade unions have stated Irish Water staff want their bonuses. The Government has completely lost the plot. Back bench Deputies on the other side were in a coma and did not open their mouths about the issue, choosing to remain silent when the House debated and voted on it.

**Deputy Derek Keating:** The debate on water services will take place later.

**Deputy Michael Healy-Rae:** The only reason Government Deputies are now running scared is that they dread the prospect of an election. Whatever hammering they are given and whatever is said about them by good people, they will deserve it. They will be judged on what they did in this House and what they have done is shameful. They created a monster and wasted hundreds of millions of euro, believing they would get away with it, yet Deputy Derek Keating chooses to interrupt me.

**An Leas-Cheann Comhairle:** I ask the Deputy to conclude.

**Deputy Michael Healy-Rae:** I am glad I had an opportunity to speak on this issue. It is a pity no one in the Government showed a little common sense.

**Deputy Robert Troy:** I welcome the opportunity to contribute to the debate on the Social Welfare Bill. It must be acknowledged that the legislation contains a number of positive elements, including an increase of €5 per month in child benefit, a 25% Christmas bonus for

long-term welfare recipients, an increase in the living alone allowance to €9 per week and the introduction of a back-to-work family dividend of €29.80 per week per child for 12 months, to be paid at a reduced rate of 50% in the second year. While these measures are welcome, they must be viewed in the context of the measures taken in previous social welfare legislation. The increase in the living alone allowance for elderly people amounts to an additional 20 cent per day. Elderly people have, however, lost the household telephone allowance and the household benefits package has been filleted through the withdrawal of assistance with electricity bills. In addition, despite promising to abolish the prescription charge of 50 cent per item on taking office, the Government has increased prescription charges to €2.50 per item. One must also bear in mind the reduction in income limits for medical cards and changes in the items covered by the cards. While the recent budget contains a number of welcome and positive changes to which the Bill will give effect, they must be viewed in the context of the measures introduced in the lifetime of the Government. Unfortunately, the Government has frequently targeted the less well-off, the vulnerable and those who do not have the wherewithal to stand up for themselves.

I intend to focus my attention on the lack of progress in tackling the issue of affordable child care. A recent UNICEF report was discussed with the Minister for Children and Youth Affairs during Oral Questions this morning. The report shows that child poverty rates in Ireland have increased dramatically. The Minister stated that the matter was primarily one for the Minister for Social Protection and pointed out that the best way to help children out of poverty was to get their parents back to work. I agree that the best way to support families is to ensure someone in the household is earning a decent wage. In recent years report after report, both at national and international level, has noted the high cost of child care in Ireland.

*11 o'clock*

The most recent Indecon report commissioned by the Donegal county child care committee highlighted that the cost of child care was preventing people from returning to work and forcing families out of work. The Government has done nothing to tackle the problem. In the almost four years it has been in power we have only had one debate on the affordability of child care, a debate which was facilitated in Private Members' time and which I initiated.

Some may ask what this issue has to do with social welfare, but it has everything to do with it. I acknowledge a step was taken in the budget in terms of the family dividend. If a person returns to work, he or she is allowed to keep €29.80 a week, which goes some way to help. What about those who are in work and in receipt of a low wage and who will be forced out of employment because of the cost of child care? Are we telling them to give up work for a while and claim benefits in order that they can receive €29.80 a week for 12 months and 50% of it thereafter?

I welcome the Minister for Social Protection, Deputy Joan Burton, to the Chamber. When she announced changes to the eligibility criteria for receipt of the lone parent's payment two years ago and reduced the age up to which people could claim, she said she would not bring in the changes until we had a Scandinavian model of child care in Ireland. We certainly have no Scandinavian model of child care today. However, there have been reductions in the lone parent's payment, a commitment on which the Minister reneged. Last year she introduced, as part of the budget, 6,000 places for the after school child care programme, for which €14 million was allocated. At the end of June this year, only 154 of the 6,000 places had been taken up. I would appreciate it if the Minister listened because I am identifying a problem in a scheme she announced last year.

**Deputy Joan Burton:** I am listening.

**Deputy Robert Troy:** There has been an uptake of less than 3% of a scheme that was meant to tackle the issue of affordable child care. Where was the balance of the money invested? It was not invested in tackling the issue of the affordability of child care.

The former Minister for Children and Youth Affairs, now Minister for Justice and Equality, Deputy Frances Fitzgerald, announced at the launch of the Indecon report last year that she would review the community child care support scheme, operated in conjunction with the Department of Social Protection. Persons in receipt of social welfare can avail of the scheme, but some 12 months on there has been no review and no extension of the scheme and no increased supports for those on low incomes and in receipt of family income supplement or lone parents. Earlier this week the Minister for Children and Youth Affairs, Deputy James Reilly, in reply to a parliamentary question, announced what he would not do in tackling the crippling cost of child care. He said he would not consider tax allowances which he ruled them out for a number of reasons. He said tax credits favoured the wealthy. That is rubbish. They could be constructed in a way which favoured the wealthy, but as the Minister, Deputy Joan Burton, knows from her profession, tax credits can be constructed in a manner which favours the less well-off. Tax credits could be available only to people who use registered child care providers. If they are registered, they are regulated by the Department and if a proper system of inspection is in place, there should be no issue with quality. While it is not exclusively the responsibility of the Minister, her Department has a significant role to play in tackling the crippling cost of child care, which is a major issue. We all read a recent letter published in the national media from a mother living in the south of Ireland who outlined the stark challenges and choices she and her husband faced as a family every day because of the cost of child care, about which the Government has chosen to do nothing.

I refer to the issue of homelessness. Last weekend we read in a national newspaper that 700 children were living in emergency accommodation. Yesterday, in a reply to my party leader, the Taoiseach said there was a protocol in place that was working. He talked about new social welfare housing schemes which would come on stream in 2020 and the 1,800 voids in the Dublin City Council area, which is disgraceful. There should be no voids anywhere. Who were the lead parties on Dublin City Council in recent years who allowed this to happen? It should not be allowed to happen, but it does not take away from the point that there are 700 children living in bed and breakfast and hostel accommodation. My party leader quoted one young child who said he or she could not paint a picture of his or her house because he or she did not have a house or a home.

I do not mean to be political, but the Minister has to take an element of responsibility for this issue because she introduced changes to the rent allowance scheme which are having a direct effect on those looking for accommodation in the private rented market. It is in place to help people because we do not have a sufficient supply of social housing. Something needs to be done to address this issue. It should not be addressed by way of a protocol or using the 1,800 voids in Dublin. They are welcome but will take time to be brought on stream. The construction of new houses and the extra resources allocated are welcome, but it will take time for them to be available. Is the Minister prepared to consider increasing rent allowance to take account of the current increase in private rental costs to support families who have no homes and the 700 children living in hostel and bed and breakfast accommodation?

The purpose of the mortgage-to-rent scheme was to deal with people who were at risk of

losing their homes. I do not know what the figures are and would appreciate it if the Department would revert to me on the matter. My evidence, based on dealings with constituents at my clinic, is that many families who would like to avail of the scheme are being put through unbelievable bureaucracy and ultimately turned down. I would welcome the figures for the uptake of the scheme.

I refer to the social dividend from NAMA housing. It was constructed in such a way that housing would become available to support the less well-off in society, but it is not happening. The former Minister, Mr. Phil Hogan, who was in charge of the shambles that was Irish Water, an issue we will debate later today, promised in 2012 that 2,000 houses would be transferred under NAMA. To date, including 2012 and 2013, fewer than 500 houses have been transferred. This is not right or proper and must be addressed by the Government.

**An Leas-Cheann Comhairle:** The Deputy is moving away from the Social Welfare Bill when he speaks about NAMA and housing.

**Deputy Robert Troy:** I am dealing with the issue in the context of homelessness and of the reduction in the rent allowance and in the context that the Department of Social Protection has a direct influence in this regard. This is the reason I raised the issue. The Minister should be aware of the situation, because we cannot tackle the issue of homelessness in a silo. It must be dealt with in a holistic manner and across Departments. The Minister needs to know what is going on in other Departments in regard to this.

**An Leas-Cheann Comhairle:** The Deputy should return to the Bill, please.

**Deputy Robert Troy:** A previous speaker commented on the issue of reviews of previous claims. Currently, there appears to be a concentrated effort on reviews of previous claims and on questioning people's entitlement to avail of various schemes, such as invalidity or disability schemes. These people are being put through rigorous scrutiny to see whether they are still entitled to their benefit. I believe an effort is being made to try to deprive people of their entitlement and to recoup scarce resources. No one can condone a person claiming a benefit illegitimately, but genuine claimants are being put under undue pressure and anxiety in the context of claiming a disability benefit to which they are entitled.

One case I am aware of relates to a carer's allowance. This person was in receipt of benefit for caring for her mother for two years. Carer's benefit is payable for a maximum of two years, but when the benefit expired the mother's condition had not changed - if anything, it had got worse - and the daughter caring for her applied for carer's allowance. She was refused the allowance, but has appealed that decision. Last week, the Government voted down legislation introduced by my colleague, Deputy Willie O'Dea, concerning delays in dealing with appeals. This is a serious concern. We must address the issue of these long delays in appeals on welfare entitlement.

I refer to the Tús scheme. This is an excellent and worthwhile scheme, but it could be improved in terms of how candidates are selected for it. On the community employment scheme, formerly the FÁS scheme, people could apply for a job. They could go for interview to the supervisor or sponsoring body and be deemed eligible if they met the criteria. Under the Tús scheme, however, people are randomly selected for the scheme, while somebody, perhaps long-term unemployed, with a particular interest in the scheme cannot join it. That is wrong. The same criteria as used for somebody applying for community employment should be applied to

the Tús scheme. If people wish to avail of the scheme, they should be allowed to.

I also believe we should extend the length of time people may be on the scheme, which is currently restricted to 12 months. The Minister has ruled out extending that, but I urge her to reconsider that decision. Many people have found the scheme extremely beneficial, particularly people who worked in the construction industry. Some of these people are at a stage in life, in their late 50s or early 60s, where they may not want or are not in a position to retrain as their chance of returning to full-time employment is not high. However, they would welcome an opportunity to work meaningfully in their communities for a number of years, but are precluded from doing that because of the 12-month restriction. The Minister should consider addressing this and we would welcome that.

Youth unemployment remains a critical issue. I suggest the Minister may not have sufficient personnel working on labour activation and in the various offices around the country to support these young people. Will the Minister inform me, either in her response to this debate or in writing, how the moneys are being spent in regard to the youth guarantee scheme? What are we doing to support people who want to get back into employment? The process in place currently in terms of an unemployed person getting a back to education allowance seems to be rigid. If people miss a day or two, they are excluded from the scheme. They are being told they should remain on unemployment benefit for a further 12 months and they can avail of the scheme in 12 months time.

There must be some element of leniency and commonsense. When social welfare inspectors are inspecting applications at local level, every support possible should be given to people who wish to return to education or training in order to improve their chances of availing of any job opportunities that arise in the future. The Government and the Oireachtas must support this as a priority.

**Deputy Lucinda Creighton:** It is unfortunate that this Social Welfare Bill is yet again a missed opportunity. I want to address two key issues in my contribution. First, the social welfare system is failing to achieve its purpose, which is, supposedly, to give people a hand up and to help them get out of poverty and unemployment. Second, the system discriminates between the employed and self-employed and this cannot be allowed continue.

Our social welfare system is failing. My constituency, which I share with the Minister of State, Deputy Kevin Humphreys, has both extremes in it. It has some extremely wealthy people, but it also has a huge cohort of extremely poor people. These people are struggling and are becoming representative of intergenerational poverty and deprivation. Nothing in our welfare system encourages mobility or creates opportunities for these our poorest people. Homes and families are mired in long-term unemployment. As per the CSO figures of March 2014, in excess of 180,000 people are in long-term unemployment. This is a cancer on our society. All the studies show that being unemployed causes long-term damage to a person's earning potential, health, mental health and to their children's educational and employment opportunities. Unemployment particularly lends itself to alcohol and drug dependency and ultimately causes homelessness.

The Minister has had ample opportunity over the past number of years to be creative and to find new solutions to the issues through the welfare system. Instead, we have seen a missed opportunity and a tinkering around the edges. People stand to lose too much by leaving the welfare system and there is too little mobility. People lose medical cards, rent allowance and

various other benefits if they leave the system. The lack of any support for low earners and people leaving welfare to take up employment is unconscionable. It is immoral and consigning certain families, with certain postal codes, to intergenerational unemployment and poverty. These are the people with little or no hope and no prospects and they are being consigned to a vicious cycle of poverty. If the Minister does not take my word for it, she should talk to Mr. John Lonergan, the former Governor of Mountjoy Prison, who has said he can predict the likelihood of a child, juvenile or young person ending up in detention, prison or a life of crime simply on the basis of where they come from and who their family is.

Unfortunately, no serious material change has occurred under the Government. There has been no real reform of the welfare system, with generations of people stuck in a downward spiral. The ESRI provided us with some very valuable information in its excellent report on joblessness in 2012, of which I know the Minister is aware. The report showed that jobless families were at enormous risk of poverty. Interestingly, it showed the need for a broad range of policies, including on child care, to tackle this issue. Deputy Robert Troy has just spoken about the need to provide child care support for working women and families. Why is child care such an important policy tool? Quite simply, it is because women are being forced out of the workplace. They have suffered most in the recession in that they have lost 14% of their disposable income, as opposed to 9% for men. In 2008 some 60.5% of women in Ireland were in employment; in 2014 the figure has dropped to 55.9%.

This should not come as a surprise to us. It has not happened by chance but because of the policy choices that have been made. Policies have driven down the level of participation by women in the workplace. The reduction in children's allowance has been a contributory factor, as has the reduction in maternity benefit introduced in last year's budget. No attempt has been made to tackle the spiralling cost of child care. Child care costs in Dublin now average almost €1,200 per month. In order to afford this, a woman or family has to earn almost €24,000 a year simply to pay for child care, for which there should be tax relief. I asked a question of the Minister for Finance just last week about how much he or his officials would estimate the cost of relief at 20% for working families, which would be modest enough. The cost was estimated at €680 million. While that is a substantial sum, if we are serious about labour activation, lifting families out of poverty and the potential of women to contribute to their homes, society and the workplace, we have to be serious about investing and giving opportunities to women to work.

The increase of €5 in children's allowance is not just tokenistic; frankly, I find it quite insulting. It will do very little to change the plight of families and very little, if anything, to change the plight of women in the home or the workplace. It is not in any sense a radical or dramatic solution to the major challenge we face in society, the major challenge to women who want to contribute, develop their careers and give their family and children a better chance in life. It really is an insult to them that no thought has been put into this issue and that no measures have been introduced to support and assist them in the workplace. This has to change.

The second point I want to address is the fact that the Bill, once again, misses the opportunity to end discrimination against self-employed persons. The self-employed are becoming quite used to being discriminated against, but that does not make it right. We know that the welfare system and the tax code both discriminate against them. We know that self-employed persons pay a higher rate of income tax than PAYE workers and the higher rate of universal social charge, 10%, which was introduced a number of years ago was increased again in the budget to 11%.

All of this contributes to two things, of which the first is a sense of total disillusionment among people who are trying to set up businesses, be creative and create employment. The second, a matter which is for the Minister for Finance to deal with, is that it sends a message that the Government does not trust the self-employed to pay their taxes, assumes that they are fiddling the tax system and, therefore, that they have to be charged a higher rate of income tax. That is the message being sent again and again and it is wrong on every level. We talk about an enterprise economy and claim that we want to support the indigenous economy and people in start-up companies and encourage them to grow and expand their businesses in order to employ and create opportunities for others, yet we punish them time and again through the tax code.

We are also punishing them through the welfare system. It is blatantly wrong that employees have automatic welfare entitlements if a company goes bust, whereas the company's owner, the person who took the chance to establish the company, who lies awake at night worrying about its future and that of his or her employees, gets nothing if it goes bust. Essentially, he or she is cast to the wolves. I am sure the Minister, Deputy Joan Burton, and the Minister of State, Deputy Kevin Humphreys, have encountered such persons in their constituencies, in the same way as I have. For example, there are people who worked in the construction sector, in particular, and started their own businesses, whether in plumbing or any other trade. When the crash occurred in 2008-09, they went out of business and found that they were entitled to nothing; they were not entitled to jobseeker's allowance or anything else. Even though they had paid their taxes and made their social contributions, they were had been with nothing. This is wrong and immoral. If Deputy Joan Burton is to leave one legacy as Minister for Social Protection, it should be to provide social protection for those who take chances and risks, those who account for 70% of employment in the State, and put themselves and their families on the line in order to create enterprises and job opportunities. We must ensure they are acknowledged and protected and that they will no longer be treated as second-class citizens under the social welfare code. This is supposed to be an enterprise economy interested in incentivising business, yet we treat business owners who take all of the risks with utter contempt.

If people are employees and the business goes bust, they are entitled to immediate access to benefits; if they are self-employed, they have no immediate entitlement to benefits. If they are employees, they do not have to undergo a means test; if they are self-employed, there is a full means test. If they are employees, personal savings are not assessed; if they are self-employed, all savings are fully assessed. If they are employees, other income is not assessed; if they are self-employed, all income is fully assessed. If they are employees, cohabitee income is not assessed; if they are self-employed, cohabitee income is fully assessed. If they are employees, the value of all property is totally ignored; if they are self-employed, the value of property, other than the family home, is fully assessed. If they are employees, they are covered for invalidity; if they are self-employed, they are not. If they are employees, they are fully covered for a disability; if they are self-employed, they are not.

It is apparent that this discrimination in our social welfare system cannot continue and I appeal to the Minister to make this her focus for the remainder of the lifetime of this Government. I do not know how long that will be. I expect the Minister will have an opportunity to introduce a new social welfare Bill next year before the election if it takes place in 2016 so she has an opportunity to address this. She has an opportunity to level the playing pitch not out of any sympathy or a sense of obligation to the self-employed for the sake of it but out of a sense of equity, fairness and a belief that we treat and value all our citizens equally and that we particularly respect the work, effort and sacrifice of people who set up companies, who take out loans, who

often re-mortgage their family homes and who put their siblings, spouses and children through stress and the ordeal that goes with establishing a business. She should give those people the sort of respect and the rights and entitlements to which they are due. On the basis that I do not expect her to do it this year, I appeal to her to look at that opportunity and plan and implement it next year before the next general election. If that is her legacy, it will be one for which we can all have huge admiration and respect because it would be the right thing to do.

**Tánaiste and Minister for Social Protection (Deputy Joan Burton):** I thank all the Deputies who contributed to the debate on the Bill. This is a very short Social Welfare Bill by normal standards. Nonetheless, it marks a positive shift in our economic and social recovery.

I will revisit some of the points mentioned by Deputy Creighton because much of her information is wrong. The Department has undergone enormous reform from what was described by the IMF when it came in here as a passive social welfare system to an active social welfare system where the Department is operating a very successful drive to get people back to work. So far, there are 79,000 more people back at work, almost all of whom are in full-time employment.

For the Deputy's information, as she is obviously not aware of it, the Department now invests over €1 billion per year in employment supports. I am sure she has heard of some of the schemes. The first is family income supplement. If somebody with children takes up an entry-level, low-paid or part-time job, by the end of this year, we will spend well over €280 million on supports for families going back to work. That is really important because getting families, particularly those with children, back to work improves the life chances of everybody in the household and means a much better future for the children involved.

At any one time, the Department funds about 23,000 people through the back to education route. We emphasise the return to education more than almost any other country in Europe with our type of welfare system. It ranges from people who missed out on second-level education to people pursuing degrees. The State funds the cost of the education and people hold on to their social welfare entitlement. I constantly meet people who have used the back to education route enormously successfully and changed a life where they had become unemployed due to the crash from 2007 onwards, particularly if they were construction workers.

We have a variety of opportunities such as schemes like community employment, Tús and Gateway, all of which are heavily subscribed. Internship opportunities are also available through JobBridge where to date about 34,000 people have taken a six or nine-month internship on a voluntary basis to get back to work. In particular, we know from the independent studies that people who have worked with SMEs have had extremely positive outcomes in terms of employment.

There are a number of errors in the Deputy's comments on the self-employed. I will ask Department officials to send her a note setting out what self-employed people are entitled to because it is important she is aware of what is available as she is talking to people. As the advisory group report showed, self-employed people probably get the best value out of social welfare. For a contribution of 4%, they get coverage for a series of very important life events such as being widowed. A self-employed businesswoman who has a baby gets maternity benefit. I am sure the Deputy is aware of this from her own friends. People really welcome the maternity benefit, which is one of the highest payments in our social welfare system. In addition, the self-employed have extremely important access to a retirement pension at a level and rate that one

could not buy in the private sector for a 4% contribution.

However, the rate paid by people in employment is 14.75%. The advisory group has brought forward proposals to extend coverage to self-employed people but self-employed people will have to make a contribution. We do not have the resources at this point to extend further entitlements for self-employed people for a 4% contribution. We want to extend various kinds of invalidity pensions to self-employed people should they have an accident for a small additional contribution. Well-off, highly paid self-employed people can often afford income protection policies, which are very expensive. I know the Deputy was in the same party as Deputy Butler who has spoken in this House on many occasions. The organisations representing self-employed people have been very reluctant to advocate publicly in favour of extending the social insurance system to self-employed people. There would need to be contributions but those contributions would lead to very valuable benefits.

After I became Minister, I changed the system in respect of self-employed people looking for income support and I am sure the Deputy must be aware of this. We changed the basis of the assessment from the previous years in respect of a self-employed person who was doing very well at the height of the boom, as many were, but whose income dried up and collapsed, particularly those in construction. We allowed people to be assessed on the basis of their current situation rather than on the preceding year's information when times might have been very good for them. If Deputy Creighton cares to look at the advisory group's report, the consequence of that change in the assessment has been that the vast majority of self-employed people get an entitlement to an allowance.

The Deputy suggests that self-employed people are treated differently. The biggest difference is that an employee is entitled to nine months of jobseeker's benefit. Thereafter both employees and self-employed people can apply for a means-tested benefit. In case anybody who is self-employed is listening - I will have my officials send the Deputy a note on this - the assessment is the same for both. If a spouse or partner is working, his or her income is taken into account. The Deputy's suggestion that somehow or another a former employee is treated more favourably than a self-employed person is wrong in the example that she cited. I am anxious that self-employed people feel free to use the services and supports of my Department rather than making a misstatement which might imply they did not have an opportunity to access those services. We can give self-employed people a tailored service if they contact the Department because, with the Intreo system, we have moved over to a one-on-one case management approach. We would welcome the opportunity to provide any services that may be relevant to self-employed people who have become unemployed, including support to get back to work alongside the supports from the local enterprise offices, which are now operating in most local authorities.

Community and voluntary groups have highlighted a range of concerns about budget 2015 and this Bill. As I met them over the year, they constantly presented their wish lists or priorities. Maintaining the rates was the No. 1 priority for all groups, and I am happy to say we have been able to do that again this year. We have sufficient surplus to be able to increase child benefit by €5 per month. That has been strongly welcomed by the various organisations dealing with children, and I thank them for their welcome. We have also increased the living alone allowance, which almost every organisation regarded as important. This is the first time it has been done in a lengthy period. In addition, the back-to-work family dividend will be introduced in legislation in April 2015, and backdated where appropriate, to assist parents with children who have gone back to work after 1 January.

Overall, I am happy this is a very positive Social Welfare Bill. It is the first expansionary Social Welfare Bill since the collapse in 2008. I noted Deputy Troy's criticisms but the biggest reductions in social welfare took place during his party's Administration, when the rates for a wide range of weekly social welfare payments, with the exception of pensioners, were reduced by a cumulative €16.30 per week over a very short period. The Deputy also referred to lone parents. The supports we have put in place for lone parents have resulted in a significant number of lone parents returning to work, particularly as their children get settled in primary school and the youngest children reach the age of seven. I want lone parents to get opportunities and encouragement from the Department to return to education in particular because their education may have been disrupted or abandoned. Education, in turn, allows them to go back to work and achieve financial independence. Huge numbers of lone parents are achieving that objective. I greatly admire the people doing that. There are also positive impacts on their children and families. My Department's role in supporting lone parents has been critical but we must also give people who are parenting on their own opportunities to improve their qualifications and, ultimately, to get back to work.

Question put:

<i>The Dáil divided: Tá, 79; Níl, 31.</i>	
<i>Tá</i>	<i>Níl</i>
<i>Bannon, James.</i>	<i>Boyd Barrett, Richard.</i>
<i>Barry, Tom.</i>	<i>Broughan, Thomas P.</i>
<i>Breen, Pat.</i>	<i>Calleary, Dara.</i>
<i>Burton, Joan.</i>	<i>Collins, Joan.</i>
<i>Buttimer, Jerry.</i>	<i>Collins, Niall.</i>
<i>Byrne, Catherine.</i>	<i>Cowen, Barry.</i>
<i>Byrne, Eric.</i>	<i>Daly, Clare.</i>
<i>Carey, Joe.</i>	<i>Donnelly, Stephen S..</i>
<i>Coffey, Paudie.</i>	<i>Dooley, Timmy.</i>
<i>Colreavy, Michael.</i>	<i>Fleming, Tom.</i>
<i>Conlan, Seán.</i>	<i>Grealish, Noel.</i>
<i>Connaughton, Paul J..</i>	<i>Healy, Seamus.</i>
<i>Conway, Ciara.</i>	<i>Healy-Rae, Michael.</i>
<i>Coonan, Noel.</i>	<i>Keaveney, Colm.</i>
<i>Corcoran Kennedy, Marcella.</i>	<i>Kelleher, Billy.</i>
<i>Creed, Michael.</i>	<i>Martin, Micheál.</i>
<i>Creighton, Lucinda.</i>	<i>Mathews, Peter.</i>
<i>Crowe, Seán.</i>	<i>McConalogue, Charlie.</i>
<i>Daly, Jim.</i>	<i>McGrath, Finian.</i>
<i>Deenihan, Jimmy.</i>	<i>McGrath, Mattie.</i>
<i>Doherty, Pearse.</i>	<i>McGrath, Michael.</i>
<i>Donohoe, Paschal.</i>	<i>McGuinness, John.</i>
<i>Dowds, Robert.</i>	<i>Moynihan, Michael.</i>
<i>Durkan, Bernard J..</i>	<i>Murphy, Catherine.</i>
<i>Ellis, Dessie.</i>	<i>Ó Cuív, Éamon.</i>

<i>Farrell, Alan.</i>	<i>Ó Fearghail, Seán.</i>
<i>Feighan, Frank.</i>	<i>O'Dea, Willie.</i>
<i>Ferris, Martin.</i>	<i>Pringle, Thomas.</i>
<i>Fitzgerald, Frances.</i>	<i>Ross, Shane.</i>
<i>Fitzmaurice, Michael.</i>	<i>Troy, Robert.</i>
<i>Fitzpatrick, Peter.</i>	<i>Wallace, Mick.</i>
<i>Flanagan, Terence.</i>	
<i>Griffin, Brendan.</i>	
<i>Halligan, John.</i>	
<i>Hannigan, Dominic.</i>	
<i>Harrington, Noel.</i>	
<i>Harris, Simon.</i>	
<i>Heydon, Martin.</i>	
<i>Howlin, Brendan.</i>	
<i>Humphreys, Heather.</i>	
<i>Humphreys, Kevin.</i>	
<i>Keating, Derek.</i>	
<i>Kehoe, Paul.</i>	
<i>Kenny, Seán.</i>	
<i>Kyne, Seán.</i>	
<i>Lyons, John.</i>	
<i>Maloney, Eamonn.</i>	
<i>McCarthy, Michael.</i>	
<i>McFadden, Gabrielle.</i>	
<i>McLellan, Sandra.</i>	
<i>McNamara, Michael.</i>	
<i>Mitchell, Olivia.</i>	
<i>Mulherin, Michelle.</i>	
<i>Murphy, Eoghan.</i>	
<i>Naughten, Denis.</i>	
<i>Neville, Dan.</i>	
<i>Nolan, Derek.</i>	
<i>Noonan, Michael.</i>	
<i>Ó Caoláin, Caoimhghín.</i>	
<i>Ó Snodaigh, Aengus.</i>	
<i>O'Donnell, Kieran.</i>	
<i>O'Donovan, Patrick.</i>	
<i>O'Dowd, Fergus.</i>	
<i>O'Mahony, John.</i>	
<i>O'Reilly, Joe.</i>	
<i>Perry, John.</i>	
<i>Phelan, John Paul.</i>	
<i>Reilly, James.</i>	

<i>Ryan, Brendan.</i>	
<i>Shortall, Róisín.</i>	
<i>Stagg, Emmet.</i>	
<i>Stanley, Brian.</i>	
<i>Stanton, David.</i>	
<i>Timmins, Billy.</i>	
<i>Tóibín, Peadar.</i>	
<i>Tuffy, Joanna.</i>	
<i>Twomey, Liam.</i>	
<i>Wall, Jack.</i>	
<i>Walsh, Brian.</i>	

Tellers: Tá, Deputies Paul Kehoe and Emmet Stagg; Níl, Deputies Dara Calleary and John McGuinness.

Question declared carried.

### **Social Welfare Bill 2014: Referral to Select Committee**

**Tánaiste and Minister for Social Protection (Deputy Joan Burton):** I move:

That the Bill be referred to the Select Sub-Committee on Social Protection pursuant to Standing Orders 82A(3)(a) and (6)(a) and 126(1) of the Standing Orders relative to Public Business.

Question put and agreed to.

*12 o'clock*

### **Leaders' Questions**

**Deputy Micheál Martin:** Last Monday night, the Minister for Transport, Tourism and Sport, Deputy Paschal Donohoe, signed the commencement order to the State Airports Act giving power to the trustees of the pension scheme of workers in Dublin Airport, Aer Lingus and SR Technics very significantly to slash the pensions of the members of the scheme, divided between retired, deferred and active. It is the first time in the history of the State that a Government has legislated to change a private pension scheme and to effect such draconian cuts to people's pensions. Some 5,000 retired workers from Aer Lingus, Dublin Airport, SR Technics and other companies will lose the equivalent of six weeks' pay per annum in addition to the 2.5% they will lose as a result of the Government's pension levy, and it will be in perpetuity. In some cases the loss will be as high as €250 per month. The most savage cuts of all have been reserved for the deferred members of the scheme, who were told it was compulsory that they sign up and pay pension contributions and whose pensions will be cut by 50% or more. I do not know how anybody could justify it. A woman who will be 65 next year and who is expecting €30,000 will receive €15,000.

**Deputy Mattie McGrath:** It is a disgrace.

**Deputy Micheál Martin:** The active members have been bullied into an inferior pension scheme under the new order. The Tánaiste indicated to interested parties and stakeholders that she was working with them to bring about a fairer resolution to the scheme. Did the Minister, Deputy Donohoe, consult with the Tánaiste or did she know he was about to sign the commencement order on Monday night? My colleague, Senator Darragh O'Brien, has been fighting this for a long time and had, with others, tabled amendments to the Social Welfare Bill that could have rectified the situation. It seems to be a choreographed operation by the Government. On the following day, the EGM was scheduled for December, when shareholders will be asked to vote through these cuts to the pensions. Will the Government use its 25% shareholding in Aer Lingus to vote through the cuts? Is it fair to the pensioners and deferred pensioners concerned? It is not too late to intervene. The Taoiseach could revoke the commencement order and work with the stakeholders to ensure a fairer outcome to the situation than the extraordinary and very draconian cuts that have been imposed on pensions to which, up to recently, people felt they were entitled. What is the Taoiseach's position on it? What will the Government do at the AGM? Will it move between now and January to revoke the situation and work towards a better solution?

**Deputy Finian McGrath:** It is injustice.

**The Taoiseach:** This has dragged on for years and has been of great concern to those involved. The deficit is €769 million. We established an expert panel that considered all the combinations and possibilities involved and was able to bring forward a further €20 million. Scheme membership comprises 5,000 active members, 5,000 deferred members and 5,000 pensioners. There is widespread agreement within the Irish Airlines Superannuation Scheme, IASS, that the scheme is unsustainable. The employers are putting in moneys to cushion a move from a defined benefit to a defined contribution scheme. The report of the expert panel recommended that additional moneys be paid to the deferred pensioners, and the employers have agreed to this. Legally, the employers' role is voluntary and there is no legal requirement that they sustain the scheme. The only other option, in the event of current negotiations being unsuccessful, is for the Pensions Authority to wind up the scheme. Legal action by deferred members could undermine the current proposals, which are very finely balanced, and derail the proposals. Yesterday, it was announced that a ballot of members resulted in a 70% vote in favour of the pension deal.

This has gone on for years with no solution. The expert panel that was established made recommendations that further moneys be made available, of which €20 million came forward. The scheme is a multi-employer scheme and its membership comprises employees from Aer Lingus, 69%, the Dublin Airport Authority, 27% and SR Technics, 4%. It carries a deficit of €769 million. The negotiations have gone on for years and have failed to resolve the difficulties with the scheme. There have been intense efforts in recent months to try to resolve the difficulties with the introduction of the legislation and the establishment of the expert panel to report on these matters. The members of the scheme who are unhappy with the situation have sought a meeting and I have had some correspondence from them, to which I intend to respond. At a meeting on 2 October, and in recent representations, deferred scheme members outlined a number of concerns. The situation has been unresolvable for years. The alternative is that the Pensions Authority wind up the scheme completely. It is a very difficult situation with which to have to deal.

**Deputy Micheál Martin:** The alternative the Taoiseach has put forward is not the only alternative. How would the Taoiseach like it if somebody arbitrarily decided to halve his pension

entitlements?

**Deputy Brendan Howlin:** I did. I cut them by 35%.

**Deputy Timmy Dooley:** Deputy Howlin is not so great at the sums; 35% is not half.

**Deputy Micheál Martin:** Nobody represented the deferred pensioners in any of the negotiations or discussions, and they have taken the biggest hit. The Taoiseach can work that out for himself because it is fairly obvious what happened. The pensioners have taken a hit as well, amounting to six weeks' pay. In addition, the pension levy which was imposed three to four years ago has resulted in a 2.5% cut - forever - in their temporary pension entitlements. That levy should never have been brought in because it has significantly undermined many pension schemes.

Two years ago, the Social Welfare Bill facilitated single insolvencies, which basically allows profitable companies to run down their pension schemes. In essence, a roadmap has been given to such companies to do just that in future. Through the signing of the commencement order, together with the Government's legislative intervention, a Trojan horse has essentially been created. We will see more of this emerging in the coming years concerning other companies and other pension schemes.

By any objective yardstick or criterion, the way this is being worked out simply is not fair. I do not see how anybody could suggest it is fair if those in a particular grouping lose 50%-plus of their pension entitlements. Will the Taoiseach say whether the Tánaiste was aware that the Minister for Transport, Tourism and Sport, Deputy Donohoe, was going to sign the commencement order on Monday evening? Discussions were going on with the members' representatives with a view to identifying potential fairer outcomes and resolutions. Is the Taoiseach simply saying he is not in a position to intervene or do anything to effect a fairer outcome to this situation?

**The Taoiseach:** It is like a lot of other things that were allowed to drift, thus making the situation worse than it ever was. Just over three years ago, the deficit was €350 million; it is now €769 million.

**Deputy Micheál Martin:** That happened between 2011 and 2013. Tell the truth.

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

**The Taoiseach:** This has gone on for years.

**Deputy Micheál Martin:** On your watch.

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

**The Taoiseach:** As I pointed out to Deputy Martin, the situation has gone on for years. Just over three years ago, the deficit was €350 million. It is now €769 million - that is, it is getting worse.

*(Interruptions).*

**An Ceann Comhairle:** Will the Deputy please allow the Taoiseach to reply?

**The Taoiseach:** The trustees wrote to the Minister for Transport, Tourism and Sport. They

recommended that the course of action being pursued here following legislation and the expert panel is the best option. This was voted upon by the membership in, Aer Lingus and 70% gave their verdict in favouring it. The Department of Finance said this could rescue the situation. As I said, the deficit now is €769 million. The Minister for Transport, Tourism and Sport met with the Tánaiste on Monday before he signed the commencement order.

**Deputy Willie O’Dea:** Will the Labour Party stand over it?

**Deputy Gerry Adams:** It is clear that the Taoiseach’s incompetent Government has no intention of fulfilling the vision of the 1916 Proclamation. Indeed, everything he does is in marked contrast to this progressive, democratic declaration. We should not be surprised, therefore, that he has also no intention of properly commemorating and celebrating the 1916 Rising.

For three years the Taoiseach offered no plan, no proposal, no idea and no vision of how the State should mark the hugely significant 100th anniversary of the Rising. Last week, under mounting pressure from relatives of the 1916 leaders and growing public concern, the Government produced a glossy brochure devoid of historical substance or detail. I was in the GPO with the Sinn Féin Minister, Jennifer McCann, at the launch. I found it amusing and ironic that the self-serving ministerial speeches were almost drowned out by the noise of anti-water charge rebels who had besieged the GPO.

**Deputy Michael Noonan:** Your members.

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

**Deputy Gerry Adams:** Can the Taoiseach explain to the Dáil why the video that launches Ireland 2016 makes no mention of the Easter Rising or the signatories of the Proclamation? Instead, we are treated to images of Facebook, Google, Bob Geldof, Bono, David Cameron and the English Queen.

**Deputy Finian McGrath:** Revisionism.

**Deputy Gerry Adams:** Is this what the Government believes the 1916 Rising was about? Does the Taoiseach agree with me that this video and the flimsy commemorative brochure are deeply disrespectful to the men and women of 1916 and betray a cynical indifference to their sacrifice, ideals, hopes and vision?

**The Taoiseach:** Feicim go bhfuil leas-cheannaire Shinn Féin ar ais sa Dáil, ach níl sí ag caint inniu. Cuirim fáilte roimh an Teachta.

**Deputy Gerry Adams:** Tá go maith.

**The Taoiseach:** Tá súil agam go mbeidh sí béasach don Cheann Comhairle as seo amach.

The position concerning the decade of commemorations that we are now entering into is one we have discussed here on a number of occasions. I do not accept that all of the noise I heard down at the GPO was about the issue of water. Some of the personnel I saw there I have seen in other locations when it was not about water.

I remind Deputy Adams that the 1916 Proclamation declares that we should cherish all the children of the nation equally.

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

**Deputy Gerry Adams:** Remember that.

**The Taoiseach:** Yes.

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

**The Taoiseach:** So we are not going to have a situation, in so far as we can, in which the children of the nation are not cherished equally.

**Deputy Finian McGrath:** There were 1,000 homeless last night.

**The Taoiseach:** Those who might have interfered with them will be brought before justice, as the case may be, as the Deputy has often espoused himself. I am sure the signatories to the 1916 Proclamation would not stand for a situation in which evidence or information might be known, and is known, to people but they are afraid to own up because of what they stand for.

**A Deputy:** Free Staters.

**The Taoiseach:** The announcement made by the Minister, Deputy Heather Humphreys, is part of the ongoing consultation in respect of the very best things we can do in commemorating not just 1916 but also the decade of events whose centenaries are approaching. That is why she has already announced that the parade in 2016 will be led by relatives of the 1916 leaders. In addition, there will be a State occasion in Dublin Castle the day before to reflect on and honour those who died in 1916, as well as recognising their relatives. The Deputy is also aware of the commitment already under way for the military archives facility in McKee Barracks, the development and restoration of Kilmainham courthouse and the development of the interpretative centre within the GPO, all of which have been funded and are currently under construction. Arrangements have also been made in respect of opening up the Bank of Ireland in College Green to a far greater extent for members of the public.

In addition, there is a division of interest between relatives in respect of how we should develop Moore Street and the area where personnel from the GPO went and where the surrender actually took place outside the Rotunda. We have been trying to work on that issue as part of the consultations that are taking place.

**Deputy Gerry Adams:** Trying, yes.

**A Deputy:** Do not forget James Connolly.

**The Taoiseach:** I do not accept Deputy Adams's references to glossy images. What is involved here is a genuine effort to have this recorded and commemorated in the very best way possible. That is why the professional historians' group has made recommendations about authenticity, inclusiveness and accuracy in respect of many of these events. I have heard lots of views about what should happen on Easter Sunday 2016. It is not just about the commemoration of a revolution; it is also about what those signatories to the Proclamation stood for, the kind of Ireland we have had in the last number of years, and where we actually want to be at the start of the next century. It is in that context that the consultations will take place, and the Deputy is welcome to participate constructively in those discussions. If it is to have the background music of the Deputy's fellow travellers - well, that is for him to decide. The Government genuinely wants this to be inclusive, comprehensive, accurate and sensitive. One cannot do that, however, without engaging in consultations with everybody. That is what we are involved in now.

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**Deputy Gerry Adams:** I do not accept one single word the Taoiseach has said-----

**A Deputy:** Does that include cherishing the children of the nation equally?

**An Ceann Comhairle:** Members should stay quiet.

**Deputy Gerry Adams:** -----except nuair a chuir sé fáilte roimh leas-Uachtarán Shinn Féin. Tá sí an-sásta bheith anseo arís. Beidh sí ag cur ceisteanna. An tseachtain seo caite, seoladh suíomh idirlín Comóradh 1916. Baineadh úsáid as Google translate chun Gaeilge a chur air. Tá sé sin scannalach.

It is very clear to anyone watching the debate that the former party leader, John Bruton, has won the argument about how the Government should proceed on this important issue.

**Deputy Finian McGrath:** The Redmondites.

**Deputy Gerry Adams:** It is also deeply embarrassing that the Government used Google translate for the Irish language section of the 1916 website, with the result that the section was reduced to gibberish. It is shambolic and symbolic of the Government's attitude to the anniversary and, more importantly, to the Proclamation and the Irish language. It seems that most of the time the Government cannot do anything right but in this case it is a Freudian reflection of the Government's attitude because it accurately conveys the Government's approach. The reason the Government will not mark the 1916 Rising appropriately is that it is opposed to the social, economic and democratic input and intent of the Proclamation of 1916.

**Deputy Patrick O'Donovan:** What about the children?

**Deputy Bernard J. Durkan:** Rubbish.

**Deputy Gerry Adams:** The Taoiseach should be conscious that the event, despite his shameful official neglect, will be celebrated across the island and among the diaspora by ordinary men and women who will pay tribute to the brave men and women of 1916.

The 1916 Relatives Association said the Government is trampling over the men and women who fought in the Rising. A spokesperson has said the Government does not know what it is doing, that it has had years to plan for this but it was put together in a blind panic. Will the Taoiseach outline how the Government plans to rectify last week's shambolic presentation and to ensure the State properly commemorates the 1916 Rising?

**The Taoiseach:** Tá a fhios agam go bhfuil an Teachta McDonald anseo. Mar a dúirt mé, tá súil agam go mbeidh sí béasach as seo amach leis an gCeann Comhairle. Sílim go bhfuil an ceart ag an Teachta gur botún a bhí ann ó thaobh an chórais aistriúcháin agus nár tógadh síos ón idirlín é nuair a cuireadh amach é ar dtús. Tá súil agam go dtuigfeadh an Teachta é sin.

It is an indication of the attitude of Deputy Adams that he found it amusing to be in the General Post Office. I would like to know what his version of commemorating 1916 would be on Easter Monday 2016.

**Deputy Dessie Ellis:** We will show the Taoiseach.

**The Taoiseach:** From the questions the Deputy is asking, I presume it would be politically and socially divisive and in keeping with the Sinn Féin philosophy of causing as much trouble as it can without ever having to accept responsibility for governing.

**Deputy Joe Higgins:** The Taoiseach is responsible for the trouble over the past month.

**The Taoiseach:** Sinn Féin members of Cork City Council refused to put through the budget for the citizens of Cork city because they refused to accept responsibility when it is given to them. As Uachtarán of Sinn Féin, Deputy Adams has an opportunity to set out what he believes should be the commemorative qualities.

**Deputy Gerry Adams:** We have put proposals.

**The Taoiseach:** They should be inclusive, sensitive, comprehensive, accurate and authentic. That is why the themes developed here were of remembering, reflecting and reimagining. When looking at the entities of Facebook and Google, we are trying to look outward and forward because we can tie together the entire Irish diaspora, the descendants of the 1916 years all over the world, in commemorating the start of the decade of the centenary commemorative events. Sinn Féin now has the opportunity to put forward its view on how it should be commemorated.

**Deputy Mary Lou McDonald:** It has been done.

**The Taoiseach:** It is not just about military machines on O'Connell Street but about the Irish people. It is about the Irish people and the journey they travelled before 1916 and for the 100 years since.

**Deputy Aengus Ó Snodaigh:** You are talking shite.

**The Taoiseach:** We want to reflect on a country that was left in an economic swamp a few years ago and which is now the fastest growing in Europe. Our reflections on 1916 must bear in mind the words of the Proclamation and the use of our ability to develop our country.

Deputy Adams must own up because the Proclamation-----

**Deputy Gerry Adams:** The Taoiseach needs to own up and stop the innuendo.

**The Taoiseach:** ----- points out that we should cherish all the children of our nation equally. That is not the case in Sinn Féin's view.

**An Ceann Comhairle:** We are over time. I call Deputy Catherine Murphy.

**Deputy Brian Stanley:** What about the 30,000 in poverty?

**Deputy Catherine Murphy:** When the Taoiseach set out months ago to implement water charges and to burden people with the super-quango that is Irish Water, the one stated aim was to turn citizens into customers. It was not disguised and we all recall the Irish Water communications strategy, with six steps to take the person from the citizen mindset to the obedient customer. The Taoiseach has not achieved this despite the thousands of taxpayers' euros spent on PR and propaganda. The Taoiseach has not managed to brainwash Irish people and they do not accept that they will be customers of the Irish Water quango. Originally, this was passed off as a conservation exercise but the attempts to sell it as conservation can be dispensed with. The leaks coming from the Cabinet make it clear it is intended to be a flat charge for many years. How can the Taoiseach talk about a flat charge and conservation in the one sentence? At least we have clarity on that one thing. It is a revenue-raising exercise.

People have not undergone the desired transformation and are not fools. They will see the

backpedalling for what it is, an attempt to pacify, soothe and buy time to coerce people into submission. People can see the obvious future, with charges being raised, a dwindling State subvention and the new borrowing for which customers of Irish Water will be on the hook. The cost of Irish Water will not have changed because of the announcements today. The metering programme will still cost more than €1 billion and the consultants and experts will have been paid €80 million. The quango will still exist.

Instead of treating citizens like petulant children who need more time to accept things, will the Taoiseach hear the actual message rather than what he wants to hear? The message is not that we need more time but that we will not pay for an inflated super-quango and we do not want to be Irish Water customers. We will not pay for Irish Water. Will the Taoiseach hear that message and does he accept that it is not about conservation but about raising revenue?

**The Taoiseach:** Deputy Catherine Murphy always has been a realist and is well aware that we cannot continue to have raw sewage flowing into the bays and rivers of our country.

**Deputy Mattie McGrath:** Last year it was about septic tanks.

**An Ceann Comhairle:** Please, it is not Deputy Mattie McGrath's question.

**The Taoiseach:** We cannot continue with 500 of the treatment works that supply water to businesses and people all over the country in an inferior condition. Out of general taxation, the division of them for schools, hospitals, roads and other services has never been sufficient other than to catch up with an inadequate infrastructure and an intolerable situation. Every new business and industry set up or job created adds to the requirement for more water and clean water.

I accept mistakes were made but people have said they want clarity, confidence and to understand about affordability. We cannot say what will be the cost of electricity, gas or bus fares for the next three years. However, when the Minister speaks in the House he will outline with certainty for people the affordability of the contributions they make for domestic water use, accountability in relation to the contributions they make and the changed responsibility and engagement of the people in a people's forum with Irish Water. This is to ensure there is a direct connection and an understanding between ordinary people and the entity that is Irish Water. Those involved in Irish Water say they have a lot of work to do in trying to build the confidence of the people in them, but we cannot continue in a position where raw sewage is a problem, there are inferior treatment works and 40% of treated water leaks into the ground.

**Deputy Joe Higgins:** Fix it then; tax the millionaires.

**The Taoiseach:** When meters are installed, leaks can be found.

**Deputy Mattie McGrath:** Bring back big Phil.

**The Taoiseach:** The more that are fixed, the less waste there will be and therefore the greater the saving for the taxpayer, as the cost of producing water will be reduced. It also allows for investment for the future to fix treatment works and provide new infrastructure. We cannot go on in parts of Dublin where there are pipes that are 100 years old and incapable of providing a service for consumers and customers.

**Deputy Dessie Ellis:** Change them.

**The Taoiseach:** We cannot go on with treatment works that are of grossly inferior standard

or where there is no treatment at all. As this is a country that prides itself as being clean and green, that will just not work. I recognise that mistakes were made.

**Deputy Mattie McGrath:** Irish Water was a mistake.

**The Taoiseach:** Today when the Minister outlines the conditions that will apply, there will be evidence that the Government has listened to ordinary people who expressed their anxiety and concerns. These concerns and anxieties will be reflected in the actions of the Government in today's announcement.

**Deputy Catherine Murphy:** I appreciate that the Taoiseach acknowledged that I am a realist. When Irish Water was established on 1 January, development contributions could have been a key part of funding capital projects, but they were pretty much dispensed with by a circular from the Department. I cannot understand this. There have been no levies applied this year to planning permission applications in respect of water and wastewater, which is astonishing.

**Deputy Micheál Martin:** There have been.

**Deputy Catherine Murphy:** We are talking about the need for clarity and certainty and these words are repeatedly trotted out. We heard them earlier this year before the local elections, the protests and the comments by the Commission for Energy Regulation. We would not be talking about this issue today if we did not have the game changer in the middle of October, when 100,000 people took to the streets. That is why we are here today. I attended the march in the middle of October when people were asking why it had not happened five years ago, even before the Government entered office. People realised that this was a powerful action and the message had to be put across in a way that it would people out onto the streets, onto which they will emerge in serious numbers on 10 December. If more than 100,000 people emerge onto them on that day, in what back-peddalling will the Government engage on the Irish Water issue at that point?

**The Taoiseach:** The questions raised which were of great concern to people included using personal public service numbers, the bonus regime, call-out charges and the level of uncertainty about what the contribution would be.

**Deputy Martin Ferris:** The double tax.

**The Taoiseach:** There was concern about whether the Irish Water entity could continue to be able to borrow off balance sheet to enable the Government to invest for the future. All of these matters have been very carefully considered following the legitimate and peaceful expression of people's anxieties and concerns on the streets. It was a very powerful movement, to which I must say with a sense of humility that the Government has listened and reacted.

**Deputy Peadar Tóibín:** It listened to itself.

**Deputy Michael Healy-Rae:** In other words, it woke up.

**Deputy Micheál Martin:** It panicked a little also.

**The Taoiseach:** People have come to me.

**Deputy Michael Healy-Rae:** It came out of the coma.

**The Taoiseach:** To answer Deputy Catherine Murphy's question, the contribution levels to

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be announced today will be seen to be fair, affordable, clear and consistent in the time ahead.

**Deputy Michael Healy-Rae:** After millions of euro have been wasted.

**Deputy Mattie McGrath:** A new name.

**The Taoiseach:** It will also deal with the questions of the continued public ownership of the Irish Water entity-----

**Deputy Mattie McGrath:** Santa Claus.

**Deputy Finian McGrath:** No leaks.

**The Taoiseach:** -----and the necessity for that entity to gain the public's confidence not only by being able to respond to their queries but also by demonstrating the investment programme for the future.

**Deputy Mattie McGrath:** The charge is gone. It is now called a contribution.

**The Taoiseach:** Most essentially, people's contributions should go strictly towards investment in meeting Irish Water requirements and not to deal with any sideline issue.

**Deputy Michael Healy-Rae:** It was a charge last week.

**Deputy Joe Higgins:** A contribution has already been made.

**The Taoiseach:** These points were made in a valid way and we have reflected on them and listened to the concerns expressed.

**Deputy Ruth Coppinger:** The Taoiseach has not heard what people said. They said they would not pay anything.

**The Taoiseach:** I hope that when the Minister addresses the matter today, he will bring about certainty and clarity.

*Sitting suspended at 12.35 p.m. and resumed at 1.35 p.m.*

### **Topical Issue Matters**

**Acting Chairman (Deputy Charlie McConalogue):** I wish to advise the House of the following matters in respect of which notice has been given under Standing Order 27A and the name of the Member in each case: (1) Deputy Michael Lowry - the need for intervention to secure a replacement industry for the Lisheen mine site, County Tipperary;

(2) Deputy Peter Mathews - the need to intervene to secure deferred pensions for members of the Irish Airlines Superannuation Scheme;

(3) Deputy Terence Flanagan - the processing of medical card applications in the primary care reimbursement service;

(4) Deputy Joe Costello - the need to ensure that the new Central Bank rules for 20% mortgage deposits are amended;

(5) Deputy Seán Crowe - the need to discuss the proposed symphysiotomy redress scheme;  
(6) Deputy Róisín Shortall - the need to update regulations under the misuse of drugs legislation to curb the open street trading of benzodiazepines and Z-drugs;

(7) Deputies Anthony Lawlor, Catherine Murphy and Martin Heydon - staffing issues at Naas General Hospital;

(8) Deputy Lucinda Creighton - the need for intervention to ensure an equitable solution to the ongoing Irish Airlines Superannuation Scheme dispute;

(9) Deputy Sean Fleming - the funding of the school meals local project scheme in Scoil Bhríde, Portlaoise, County Laois,

(10) Deputy Michael McNamara - Bord Bia's quality assurance scheme;

(11) Deputy Colm Keaveney - the recruitment of psychologists by the Health Service Executive;

(12) Deputy Thomas Pringle - the need to provide fixed-line broadband on Arranmore Island, County Donegal, under the national broadband plan;

(13) Deputy Denis Naughten - the long-term plans for Portiuncula Hospital, Ballinasloe, and Roscommon County Hospital;

(14) Deputy Martin Ferris - the cuts to funding for Kerry Parents and Friends Association;

(15) Deputy Patrick O'Donovan - the need to have the recommendations of the internet content governance advisory group report implemented immediately;

(16) Deputy Thomas P. Broughan - the need to review the methadone treatment scheme;

(17) Deputy Seán Kyne - the plans for the Garda presence in Galway and the western division arising from reports concerning the future of Salthill Garda station;

(18) Deputy Charlie McConalogue - the latest developments with regard to junior cycle reforms;

(19) Deputy Michael Moynihan - the progress of the proposed amalgamation of primary schools in Kanturk, County Cork;

(20) Deputy Paul J. Connaughton - the need to reverse the cuts in funding to Ability West and Brothers of Charity Services in County Galway;

(21) Deputy Dessie Ellis - the effect of the outsourcing by local authorities of services and maintenance works;

(22) Deputy Joan Collins - the need for the Minister for Children and Youth Affairs to clarify why the Westbank Orphanage will not be examined for sexual abuse or any other kind of abuse in the proposed mother and baby homes inquiry;

(23) Deputy Mick Wallace - the appointment of the head of the new policing authority;

(24) Deputy Clare Daly - the appointment of the head of the new policing authority;

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(25) Deputy Mattie McGrath - the need to make prematurity and neonatal health a national health care and welfare policy priority;

(26) Deputy Ruth Coppinger - the doubling of homelessness figures in Dublin;

(27) Deputy Paul Murphy - the doubling of homelessness figures in Dublin; and

(28) Deputy Tom Fleming - the need to restore the grant reduction to the Kerry Parents and Friends Association.

The matters raised by Deputy Michael McNamara, Deputy Paul J. Connaughton, Deputy Sean Fleming, and Deputies Anthony Lawlor, Catherine Murphy and Martin Heydon have been selected for discussion.

## Topical Issue Debate

### Food Quality Assurance Scheme

**Deputy Michael McNamara:** First, I should outline what the quality assurance scheme is, as many Members of the House are not acquainted with it. The quality assurance scheme was developed by Bord Bia, and it is important to bear in mind that this is a State agency, because the cost of developing this scheme was borne by the State. It is an excellent initiative because it ensures that quality-assured food that is produced and processed in this State will have the Origin Ireland quality mark, a little mark featuring the tricolour that is often seen on food packaging. It means those products have been produced with the highest level of care and attention from the farm through to arrival on the shop shelf. It is a story of high-quality standards against which members of the quality assurance scheme are regularly audited by Bord Bia.

There are currently 36,000 food producers in the country, and 122 processors and packers are certified as quality-assured. In addition to meeting strict legal requirements, farmers are audited against a range of standards, including those relating to animal health and animal welfare. Animal welfare is increasingly important for consumers and they are keen to know that animals are properly treated on the farms. Other standards relate to traceability, water and feed and pasture management. This last standard presumes that cattle are largely grass-fed. The fact that cattle are grass-fed and grass-finished gives Irish beef a unique flavour, which we get not only from Irish cattle but Irish sheep as well. The unique taste of Irish meat is increasingly recognised abroad. I spoke to a German yesterday evening who told me that dry-aged Irish beef now retails at between €40 and €60 per kilogram in Germany. I am unable to verify these prices, but it is certainly far higher than the price at which Irish beef is retailing in Ireland. This indicates that we have a prime product at our disposal, one that costs a good deal for Irish farmers to produce.

Notwithstanding all of this, over 90% of all beef produced on Irish farms is produced under the quality assurance scheme and on quality-assured farms, yet fewer than half of the producers or farmers who brings the animals to the slaughterhouse get any bonus for that. This is clearly an abuse of a system designed to ensure that good-quality beef is being produced. The producers who bear the cost of producing this product are not being rewarded for it. The reason is that additional conditionality has been added by the processors. They maintain they will only

give the bonus to quality-assured beef from a quality-assured farm when the animal is under 30 months.

I am unsure whether the Minister of State or any Deputy in the House knows the age of the beef they are eating, but I suspect not. A person from my office went into the five supermarkets in Ennis - namely, Aldi, Lidl, Centra, which is from the Musgrave group, Tesco and Dunnes Stores, and asked someone in each shop the age of a certain piece of beef for sale. Only one person was able to answer, but he said he had never been asked that before. It is not something that consumers request or want. Rather, it has been imposed by processors. They are imposing it because generally cattle are not fit to kill until they have lived through their third summer on Irish grass. Previously, factories had to pay a premium for cattle that were ready to go to the processing houses earlier. Therefore, they brought in the 30-month requirement to flush them out, bring them in early and drive down prices for the producers. That is simply wrong, and I am concerned about it.

I support the setting up of the beef price forum by the Minister, but I am concerned that the outcome will not sufficiently address the matter. I note from the outcome produced by the Department that processors agreed to a targeted cost-neutral price incentive for all steers and heifers from quality-assured farms. That sounds good on the face of it: a targeted cost-neutral price incentive. However, the quality pricing system introduced in 2009 was to be price-neutral, but an analysis of the system carried out by an independent journalist, Martin Ryan, has shown that three years after the introduction of the quality pricing system the payment was far from price-neutral. The total average yearly penalties applied to O-grade cattle amounted to €3.2 million, while bonuses of €1.5 million were paid to producers of U-grade cattle. This indicates that a reduction of €2.15 million was taken from farmers' cheques in a supposedly price-neutral endeavour. For this reason I am doubtful about the idea that it can be price neutral. Farmers incur a cost in producing quality-assured cattle. The State incurs a cost as well. The product is prized in Germany and many places. The producers get a premium for this but they are not passing it on to the farmers. The Department of Agriculture, Food and the Marine is not forcing them to pass it on to the farmers, notwithstanding the fact that the quality assurance scheme is a State-sponsored endeavour.

**Minister of State at the Department of Agriculture, Food and the Marine (Deputy Ann Phelan):** I wish to inform the House that the Minister, Deputy Coveney, is unavailable. He is currently at a Cabinet meeting and he sends his apologies. The Bord Bia beef and lamb quality assurance scheme is an integrated scheme under which the producer and the processing plant work in partnership to provide the customer with quality-assured products, as the Deputy has outlined. The scheme describes the essential quality assurance requirements, from primary production through factory processing to final despatch, that are necessary to meet customer requirements. In addition, the scheme lays down additional standards to be complied with at each step of the production chain.

Producers seeking membership can initially apply directly to Bord Bia or through their meat processor. A special application form is provided and must be signed by the producer. The application is then evaluated and, if appropriate, a full independent audit of the producer will be carried out to evaluate the capability of the applicant to meet all the requirements of the standard. This audit is conducted by an independent auditor from a Bord Bia-appointed inspection body. When the producer is deemed to have complied with the requirements of the standard, the herd is then considered for certification under the scheme. When certified, the producer is issued with a certificate for the herd which is listed on the Bord Bia register or database. Before

the certification expires, the producer receives a reminder letter from Bord Bia advising that a further audit is required to maintain certification.

At producer level the scheme sets out several essential requirements covering both product and process. There are procedures covering hygiene, chilling and product traceability along the production chain, to which the Deputy has referred. Processors must develop a food safety management plan based on the principles of HACCP. Processors are subject to independent audit during which their compliance with each of the scheme requirements is assessed. When processors are deemed to have complied with the requirements of the standard, they are considered for certification under the scheme. When certified, the processor is issued with a certificate for the scope of the process audited and is listed on the Bord Bia database.

Currently there are 46,000 producers in the beef and lamb quality assurance scheme. This includes more than 34,000 beef-only herds and almost 10,000 mixed sheep and beef farms. There are 2,000 lamb-only farms included as well. I am confident that the system, which is accredited to internationally accepted standards, is robust. Almost 9,000 new applicants have come to the scheme this year on top of almost 10,000 new applicants last year. The figures show that the scheme is not subject to abuse or one in which farmers do not have faith. The reality is quite the opposite. The scheme is vital to the marketing and positioning of Irish products in Ireland and further afield, a fact which is understood and acknowledged by Irish farmers. Irish beef is now listed with more than 75 high-end retail chains across the European Union. This wide portfolio of customers has contributed significantly to higher returns for Irish beef in recent years and reflects the success of Bord Bia's differentiation and premiumisation strategy, which focuses on the key attributes of Irish beef - that is to say, environmental sustainability, grass-based production systems, and full traceability and quality assurance at all stages.

Among Bord Bia's initiatives this year is the continued development, global promotion and marketing of the Origin Green initiative, designed to establish Ireland as a world leader in sustainably produced food and drink. Over 200 companies are currently working with Bord Bia to develop sustainability plans, setting out clear targets on emissions, energy, waste, water, biodiversity and corporate social responsibility activities. I cannot overemphasise the critical importance of the beef quality assurance scheme in accessing premium markets and underpinning the reputation of Irish beef among retail and food service customers.

**Deputy Michael McNamara:** It is clear that the Minister of State and I agree on the importance of the quality assurance scheme. Deputy Paul J. Connaughton, who is present, is equally aware of its importance. However, the Minister of State says it is not subject to abuse and that farmers have confidence in it. I cannot agree with him. Mr. Michael Maloney, the Bord Bia official in charge of the scheme, has said we have the best portfolio of high-end accounts in Europe and that these high-end markets require quality assured beef. It is our ticket to supplying these markets and he is absolutely right. Farmers know this and support the scheme for that reason. The Minister of State has said the scheme secures a higher return for Irish beef - a higher return for whom? The core problem is that the higher return for quality assured beef is not making its way back to the farmers. I am very afraid that the cost-neutral price which is to be introduced will be achieved by reducing the base price. One of the few tangible benefits of the beef forum was that there would be an agreed base price. The processors brought in the quality price system, but while it was potentially beneficial, they abused it to drive down prices. Absent action by the Department of Agriculture, Food and the Marine, they will abuse the scheme to drive down the base price.

The second thing agreed was that the Department would continue to support and facilitate live exports by inspecting and approving vessels presenting for inspection for the purpose of transporting live animals overseas. This is an issue I have raised many times and the Minister of State and I even raised it together when she was a humble backbencher like me. While I welcome the agreement, I note the bias in the Department against live shipments, an issue which must be addressed. On the very day the agreement was released, my information is that a livestock vessel was refused a licence. The relevant market will now be met by taking the cattle on a roll-on roll-off ferry as far as the south of France where they will board a vessel to cross to north Africa. I admit that Ireland is one of the few countries that produces cattle that must traverse the north Atlantic, but it is not the only one. My information is that the boat that was refused a licence was an American vessel licensed to carry American beef across the north Atlantic. If it is good enough to carry American beef from American producers and shippers who do not want to lose their product or ship, I do not see why we should set such high standards.

I had a meeting with departmental officials before the last Topical Issue debate on this matter. We discussed Ireland's uniqueness in having cattle traverse the north Atlantic. While that might be true, they also told me that it was great that Europe was looking to Ireland because of the high standards we imposed. I agreed that it was great and that we all wanted high standards but asked if it meant that when the high standards were met by other European countries and a common licensing system was introduced, we would adhere to it. The answer was "Oh, no." The reason we would not adhere to it was that we did not want live shipments from Ireland because it was the only way to provide Irish farmers with an alternative outlet for their product. Either the cattle live to a ripe old age on a preserve like Benjy the homosexual bull, are exported live to be killed or are killed in Ireland to be eaten. These are the three options. If one removes live exports and the fact that the majority of cattle in Ireland will not have a benefactor like the creator of "The Simpsons" to ensure they live to a ripe old age because they happen to be attracted to animals of the same sex, one is reduced to using the processors. The processors have been driving down prices in Ireland, notwithstanding the fact that they can access higher quality markets. I fear the beef forum will not address that issue, but I am willing to give it the benefit of the doubt.

**Deputy Ann Phelan:** The Deputy is very passionate about this issue and live exports involve another full debate. Today we are concentrating on the quality assurance scheme and the number of farmers signing up to it demonstrates that there is a level of faith in it. The Minister, Deputy Simon Coveney, has worked hard to mediate in the forum on the matters raised by the Deputy. At the beef forum last week agreement was reached on the manner in which specifications would be applied in the future. The agreement provides a platform for improved relations in the sector into the future. I ask the Deputy to keep an eye on what is happening at the forum. There was a consultation process and I assume he made submissions in that regard. I have a funny feeling that we will come back to this matter. I cannot say I know much about Benjy, but I am told he will be very happy where he is. We will leave it at that.

I understand Deputy Paul J. Connaughton has agreed to defer his matter until next Tuesday, 25 November on the understanding the Minister of State, Deputy Kathleen Lynch, has committed to taking it on that day.

**Acting Chairman (Deputy Charlie McConalogue):** I understand the fourth matter is also being deferred. Is that correct?

**Minister of State at the Department of Social Protection (Deputy Kevin Humphreys):**

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Yes. Deputies Anthony Lawlor, Martin Heydon and Catherine Murphy have agreed to defer their matter until next Tuesday, 25 November on the understanding that either the Minister for Health or the Minister of State, Deputy Kathleen Lynch, has committed to taking it on that day.

**Acting Chairman (Deputy Charlie McConalogue):** Is that agreed?

**Deputy Anthony Lawlor:** That is agreeable to us.

**Acting Chairman (Deputy Charlie McConalogue):** The matter is deferred.

### **School Meals Programme**

**Deputy Sean Fleming:** I welcome the opportunity to raise this important issue. I also welcome the Minister of State, Deputy Kevin Humphreys, who is taking it on behalf of the Tánaiste and Minister for Social Protection, Deputy Joan Burton.

The motion is straightforward and concerns the need for the Minister for Social Protection to make a statement on the funding of the school meals project at Scoil Bhríde, Knockmay, Portlaoise, County Laois. People might assume that because it is a school meals programme, it is within the remit of the Department of Education and Skills, but it is actually a social protection payment, which is why we are dealing with the Department of Social Protection. Some people may not understand why that is the case, but it is. I do not mind where the funding comes from as long as it goes to the pupils in the school.

**Deputy Kevin Humphreys:** No one does.

**Deputy Sean Fleming:** I asked two parliamentary questions on the issue, on 25 June and 2 July 2014, respectively. I received answers at the time which were unsatisfactory, which is why I have sought to raise the matter as a Topical Issue. The school involved is Scoil Bhríde, Portlaoise, Roll No. 19747M. It is the largest primary school in County Laois, with 757 pupils at the time I spoke to the principal, Ms Muriel Wall-Coughlan, about the matter during the course of the summer. It is a disadvantaged school in the DEIS 1 category. It received funding under the school meals scheme of €15,000 for its 757 pupils, which represented an average payment per pupil of €19.01. Total payments under the scheme this year amount to €37 million and I welcome the additional €2 million which will be provided next year. I spotted this on budget day. The €37 million is divided among approximately 1,600 schools, giving an average payment of €23,000 per school. The fund benefits approximately 205,000 children, with an average payment of €180.49 per child, which is nine times higher than the payment per pupil in Scoil Bhríde in Portlaoise. That is why I am raising the issue today.

An additional €2 million was allocated to the scheme in 2013 to provide for an additional 100 new schools which were being brought into the scheme. It was decided that each school would receive an average payment of €20,000 each. This benefited 9,700 students and pupils, with an average payment of €206 per pupil, which is ten times higher than the payment per pupil in Scoil Bhríde.

*2 o'clock*

While the funding provided for school meals is welcome, certain schools, including Scoil Bhríde, receive a low level of funding under the school meals programme because they entered

the scheme earlier than other schools. Schools that enter the scheme now receive payments per pupil that are up to ten times higher than those paid to schools already in the system. This inequity must be addressed. Scoil Bhríde has applied to have its funding increased from €15,000 to €194,000 on the basis that it is a DEIS 1 school. The average payment for a DEIS 1 school is €150,000, yet Scoil Bhríde receives one tenth of the average. The position is extremely inequitable.

Last July I tabled a parliamentary question seeking a breakdown of payments per pupil under the school meals programme across the school system. I asked how many schools were receiving payments of between €10 and €20 per pupil, between €30 and €40 per pupil and so forth. In his reply the Minister indicated that statistics for average payments per pupil under the school meals programme were not maintained by the Department. Schools receive a form of block grant based on old enrolment figures and must make do with the amount they receive, even if the number of pupils in the school has doubled since the original allocation was made.

I ask that Scoil Bhríde's application for additional funding be given favourable treatment. Furthermore, the inequity in the system, whereby schools that have been in the programme for a long time receive low levels of funding in comparison with new entrants, must be addressed. I hope the Minister of State will take my points on board.

**Deputy Kevin Humphreys:** I thank the Deputy for providing details on Scoil Bhríde. To provide some background, the school meals programme provides funding towards the provision of food services for some 1,600 schools and organisations. Almost 207,000 children benefit through two schemes, the first of which is the statutory urban school meals scheme operated by local authorities and part-financed by the Department. The second, the scheme to which the Deputy refers, is the school meals local projects scheme through which funding is provided directly for participating schools and local and voluntary community groups which run their own school meal projects.

The school meals programme is an important component of policies to encourage school attendance and extra-educational achievement by children, especially those from the most disadvantaged backgrounds. As the Deputy will agree, breakfast clubs encourage children to arrive at school on time. I am firmly of the view that funding the provision of food services in schools guarantees ongoing positive returns on a public investment in the health and educational performance of future generations.

In recognition of the benefits the scheme provides and despite severe pressure on the social protection budget, the Government allocated an additional €2 million for the school meals programme in 2013, providing a total allocation of €37 million. This amount was increased in budget 2015 by a further €2 million, bringing the total to €39 million for 2015. This additional funding will be used to increase payments to existing schools which are part of the Department of Education and Skill's initiative for disadvantaged schools, Delivering Equality of Opportunity in Schools, or DEIS, as it is also known. DEIS is the Department's main policy instrument to address educational disadvantage. There will be a particular focus on the provision of breakfast clubs which provide positive outcomes for vulnerable children in terms of their school attendance, punctuality and energy levels.

The school referred to by the Deputy, Scoil Bhríde, has been in receipt of funding under the scheme since 2007 and applied for a significant increase in both pupil numbers availing of the scheme and funding for the current academic year. An increase in the level of payments to this

school will be considered as part of the overall allocation of the additional €2 million that will be available in 2015.

I was not aware of some of the facts outlined by the Deputy who may wish to meet me next week to discuss them in detail. I note the support provided for Scoil Bhríde originally was for approximately 70 children, whereas enrolments at the school stand at 797. An additional €2 million has been provided for the school meals programme in 2015. The Deputy has indicated that Scoil Bhríde is being discriminated against by virtue of entering the scheme earlier than other schools. I invite him to discuss with me any structural problem that arises with the scheme.

**Deputy Sean Fleming:** I welcome the opportunity to meet the Minister of State to discuss this matter. I will provide him with the information I have received at that point.

The purpose of the school meals scheme is to help children to get to school. Many but by no means all of the children in Knockmay are from low income families and do not receive a breakfast. In some homes the children are not provided with dinner or tea either. We must look after the younger generation because children cannot learn if they are hungry. One must fill their tummies before one tries to fill their brains.

Scoil Bhríde receives funding to provide lunch for two children in each class of 30 pupils. This means that the principal or someone acting on the principal's behalf must choose the two children in each class who will benefit from the scheme. It is awful that we have been reduced to this. There are historical reasons for the discrepancy in funding.

The reason I have so much information on this issue is that, in addition to submitting parliamentary questions, I sent a detailed letter outlining the position to the Secretary General of the Department of Social Protection in August. I received a detailed reply, including some statistics, from an official in the Department's Sligo office. I was grateful to receive all of the information available in the Department on the issue, notwithstanding the fact that it does maintain information on funding broken down per pupil. I am fortunate to have this information and I am sure the Minister of State would be able to obtain it. I will provide him with copies of the documentation I have received.

The essential point is that there is a structural flaw in the system. The official indicated that if the funding provided for Scoil Bhríde were to be increased to the average figure, other schools in receipt of funding in excess of it could have their allocations cut. It would be difficult to give that news to the schools in question. Fairness and equity are necessary, however, and schools should receive funding close to the average, not ten times higher than the funding provided for other schools. Scoil Bhríde receives one tenth of the average payment and I am sure there are schools that receive payments far in excess of it possibly by ten times.

It should be noted that Scoil Bhríde is a DEIS 1 school and that many of the pupils come from families on low incomes. Let us try to feed these children in order that they can be educated a little better. I look forward to meeting the Minister of State next week to discuss the issue.

**Deputy Kevin Humphreys:** The Department of Social Protection always operates in an open and transparent manner and furnishes Deputies with the information they request. It is heartening that the Deputy has confirmed this in respect of the information provided for him by the Department.

The Government has been able to protect the funding provided for the school meals programme. In 2009, funding for the scheme stood at €35 million. This figure was increased to €37 million in 2007 and €39 million in 2015. As the Deputy indicated, it is important that this additional funding be distributed in an open and transparent manner. He will be aware from his time on the Government side of the House that while it is great to give something, it is much harder to take it away. The envelope of funding for 2015 is €39 million. I would like it to be increased and believe it will increase as the economy grows. I will discuss the issue with the Deputy. My officials and I will ensure the additional funding will be distributed in a fair and transparent manner. I will be more than happy to arrange a meeting with the Deputy to take a closer look at the matter.

*Sitting suspended at 2.10 p.m. and resumed at 3 p.m.*

### **Water Sector Reforms: Motion**

**Minister for the Environment, Community and Local Government (Deputy Alan Kelly):** I move:

“That Dáil Éireann:

supports the establishment of Irish Water as a long-term strategic investment project that will deliver the scale of investment necessary to deliver water services infrastructure to the highest standards required to meet the needs of the Irish people;

recognises that managing our water resources effectively is essential to ensure that Ireland can continue to support indigenous economic activity and employment, including in relation to tourism, and to attract major overseas investment and employment;

welcomes:

— the important regulatory role of the Commission for Energy Regulation in relation to water services, particularly in protecting the interests of the customers of Irish Water;

— the efficiencies in capital and operational programmes already being delivered by Irish Water and the continued efficiencies to be achieved in the years ahead; and

— the progress being made by Irish Water in implementing the national programme of domestic water metering, with some 500,000 meters now installed, supporting 1,300 jobs;

condemns intimidation and harassment of workers involved in the metering programme and any other form of non-peaceful protest;

acknowledges the demanding timelines for implementation of the water reform programme to date, which have not fully reflected the scale of the challenge in moving from local government delivery to a fully regulated single national public utility;

recognises that the complexity of aspects of the previous charging regime has created uncertainty for customers in relation to their bills in 2015 and beyond;

in light of the foregoing, welcomes the package of measures approved by the Gov-

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ernment on 19th November, 2014, particularly the measures which provide certainty, simplicity and affordability in relation to domestic water charges, and maintain a strong focus on conservation;

and endorses the Government's continued commitment to public ownership of the national water services infrastructure."

This is a significant moment for our country. We as a Government have made mistakes, but we now face a critical choice.

**Deputy Micheál Martin:** Is there a copy of the motion?

**Deputy Mattie McGrath:** Do we have to buy the papers?

**An Leas-Cheann Comhairle:** We are distributing the speech. We are dealing with the motion. The Minister will deliver his speech.

**Deputy Michael Healy-Rae:** You cannot even organise this, lads. We should have had this an hour ago.

**An Leas-Cheann Comhairle:** The supplementary Order Paper will be delivered now.

**Deputy Michael Healy-Rae:** This is a disgrace.

**Deputy Micheál Martin:** It is farcical that the content of the motion is not before the Members of the House before the debate starts. The entire lead-up to the debate was farcical in the sense that there was no presentation of any details to other Members of the House which would inform their contributions to the debate, other than what has been leaked to the media. To say we do not have the motion before us, as the Minister rises, is farcical and we should not proceed until we get the motion. We should adjourn for ten minutes.

**An Leas-Cheann Comhairle:** I will get information on that. I understand the motion is to be circulated.

**Deputy Barry Cowen:** Can we adjourn until we get the motion?

**Deputy Michael Healy-Rae:** You cannot even organise this.

**Deputy Mattie McGrath:** The Minister is making a show of Tipperary.

*(Interruptions).*

**An Leas-Cheann Comhairle:** I propose we continue until we get the motion. Is that agreed?

**Deputy Barry Cowen:** You cannot propose anything.

**An Leas-Cheann Comhairle:** Resume your seat please, Deputy. I will call on you in a moment. I propose we continue until we get a copy of the motion.

**Deputies:** No.

*(Interruptions).*

**Deputy Mattie McGrath:** We need to see the motion.

**An Leas-Cheann Comhairle:** Deputy Cowen is on his feet.

**Deputy Barry Cowen:** It is only fair and proper that any motion before the House would be available to Members before it is moved. That not being the case, I propose a five-minute adjournment so we can obtain a copy of the motion.

**An Leas-Cheann Comhairle:** I call on Deputy Doyle.

**Deputy Andrew Doyle:** It was circulated an hour ago, at 2.17 p.m.

**Deputy Barry Cowen:** It was circulated to the Fine Gael Party.

**Deputy Brendan Howlin:** Attack the officers of the House.

*(Interruptions).*

**Deputy Barry Cowen:** They have been getting ready for it for 12 months. One would think they would have it ready.

**An Leas-Cheann Comhairle:** Some Members have the motion and others do not.

**Deputy Mattie McGrath:** We do not have it.

**Deputy Alan Farrell:** The document was circulated by the journal office at 2.17 p.m. It went to all Deputies in the House.

**Deputy Gerry Adams:** On a point of order, we have a copy of the motion.

*(Interruptions).*

**An Leas-Cheann Comhairle:** Quiet down, please.

**Deputy Alan Kelly:** This is a significant moment for the country. We as a Government have made mistakes, but we now face a critical choice. Put simply, we now have a choice that is based on either short-term emotion and anger or long-term prudence and common sense. Anger is never a good starting point for any key decision. The issue of future water provision in this country needs a more sober and considered look and, unlike some in the House, I want my legacy to be one of achievement, not of destruction. We can either create the only company capable of delivering water infrastructure for our citizens or we can ignore the problems of future generations and let water shortages become a reality for all of our children. We as a Government needed to listen to the people and take stock, and we have done that.

I am pleased to have the opportunity this afternoon to set out the package of decisions made by the Government regarding a revised approach to water. I also want to set out for the House our renewed vision for Irish Water and to outline the essential role it will play in the future in delivering and managing world-class water services for our people. The key measures we will introduce and legislate for are as follows. We are setting new capped annual charges. The capped charges will be €160 for single adult households and €260 for all other households, until 1 January 2019. There will be specific legislative provision to allow for capped charges to continue to be set from 2019 onwards. All eligible households will receive a water conservation grant of €100 per year. This means that the net cost to single adult households will be €60.

For other households it will be no more than €160. Households with either a water supply or sewage only service will pay 50% of the new rates.

Metered usage can bring charges below the relevant cap. The children's allowance remains at 21,000 litres per annum and will apply to all persons resident in a property aged under 18, irrespective of whether the child qualifies for child benefit, which means children will continue to have free water. For metered bills, the charge for water in or out is reduced to €3.70 per 1,000 litres, almost 25% lower than the previous subsidised rate. The system is based on self-declaration and appropriate audit. PPS numbers will not be required for registration.

**Deputies:** Hear, hear.

**Deputy Alan Kelly:** The starting date for domestic water charging is being pushed back to 1 January 2015, with first bills to issue from the first week of April 2015. In cases where water is unfit for human consumption, the affected customers will receive a 100% discount on the costs of their drinking water supply for the duration of the restriction. Therefore, customers will be required to pay only for the sewage treatment.

The revised package of measures I am announcing has significant benefits for consumers and I would like to outline these for Deputies. It provides certainty. Every household will know what its capped bills will be until 1 January 2019. It provides simplicity. There are now only three relevant numbers - the two charging structures and the conservation grant. It provides affordability. The absolute maximum net cost is now just over €3 per week. For single person households, it will be approximately €1.15 per week - much less than 1% of most people's incomes or benefits, which puts water bills here among the lowest in Europe. It also provides for conservation. With a meter, households will have the opportunity to pay less than the capped bill and they can use the water conservation grant to make changes to avail of lower charges.

Under these provisions, households that do not have a meter installed on 1 January 2015 will commence paying the relevant capped charge. If after moving to a meter, their consumption for the first year is less than the relevant capped charge, the household will be due a once-off rebate on the amount it paid before moving to a meter. This will be automatically calculated by Irish Water and applied as a once-off credit to the customer's account. This means that a meter can only save a household money.

We estimate that if metered households can reduce their water consumption by between 10% and 15%, approximately half of Irish households will be able to beat the cap and have bills lower than the amounts outlined. In fact, some people will be able to get their bills below €100. When taken with the water conservation grant, this means they likely will be slightly better off because of the introduction of water charges and meters.

**Deputy Michael Healy-Rae:** That is a joke.

*(Interruptions).*

**Deputy Alan Kelly:** Those are the facts. When we examine water charges and take into account last month's budget, every household will be better off in 2015 than in 2014 because of the considered actions over a number of years of this Government.

Let me repeat this. A meter can only save a household money. I am tired of the Opposition persistently declaring it would fix the leaks before metering. Given that many leaks are invis-

ible, how would they find the leaks without the meters?

**Deputy Willie O’Dea:** You would get wet.

**A Deputy:** Take off your wellingtons.

*(Interruptions).*

**An Leas-Cheann Comhairle:** Order please.

**Deputy Alan Kelly:** Households now have a fresh opportunity to register with Irish Water. If a household fails to register, it will receive a default bill for €260 per annum per dwelling. In addition, such households will not be entitled to the €100 water conservation grant.

For now, there is no need for customers who have already responded to do anything. Some households may need to amend their details to take account of the fact that all children under the age of 18 will now qualify for the child allowance, rather than just those children under 18 in receipt of child benefit. In January 2015, Irish Water will give them an opportunity to amend their application, where necessary. To implement the changed charging regime and to provide those households that have yet to register with an opportunity to respond to the Irish Water customer registration campaign, so that they may avail of the new benefits and to receive accurate bills, it is important for customers to register by 2 February 2015. Households that have not previously responded can register with Irish Water online from today at [www.water.ie](http://www.water.ie); by returning the revised application form, which will be available to download from [www.water.ie](http://www.water.ie); or by phone from Monday, 24 November 2014.

As part of the transition phase, through funding provided by the Government, Irish Water will have a “first fix free” scheme to fix customer leaks from their front gate to as close as possible to the dwelling.

**Deputy Mattie McGrath:** Alan will fix it.

**Deputy Alan Kelly:** Irish Water will concentrate on its core role and services into the future. Therefore, there will be no call-out service or charge. If householders have an internal leak, they should do what they always did, call a plumber.

The water conservation grant replaces the tax rebate and social protection measures previously announced, as it is a more straightforward means of addressing water issues for all households on equal terms and will reduce the outlay of households on water services both now and into the future. The Department of Social Protection will administer the scheme on behalf of the Department of the Environment, Community and Local Government. The detailed arrangements for its operation are being developed by the Departments, with an expectation of it being operational from September 2015. To be eligible for the grant, householders with any element of public water or sewage water supply or on group water schemes or with private wells must have completed a valid response to the Irish Water registration campaign.

The mandatory provision of PPS numbers to Irish Water by customers has been a source of particular concern to many people. In response, the Government has decided to discontinue this requirement. The new arrangements are based on self-declaration and appropriate audit. PPS numbers will not be required for registration. An individual household may be asked to provide evidence in support of its occupancy declaration as part of the audit regime. The provisions in the Social Welfare Acts which allowed for exchange of PPS information will be repealed. Irish

Water will delete any PPS data already collected during the customer registration process. Irish Water is agreeing a protocol with the Data Protection Commissioner in regard to this and the process will be subject to independent verification.

The overall package of measures being put in place is designed to make water charges more affordable. A range of easy pay options will be in place, including direct debits, electronic fund transfers, payment by cash at any retail outlet with a paypoint or payzone sign or at a post office where a bill can be paid in full or in part payments of a minimum of €5.

I intend to legislate to remove the power to cut off or reduce the supply of water to premises where water charges remain wholly or partly unpaid. Instead, unless the customer enters into a payment plan, late payment penalties of €30 for a single adult household and €60 for other households will be added to bills three months following a year of non-payment.

**Deputy Finian McGrath:** The jails will be full.

**Deputy Alan Kelly:** To clarify the situation for mixed use customers who are both domestic customers and non-domestic customers of Irish Water, for example, in the case of an apartment over a shop or a house on a farm. These households are billed separately for both uses, with separate accounts. The charging regime for non-domestic use will remain the same as applied under the relevant local authority, until the regime is reviewed by the Commission on Energy Regulation. As agents of Irish Water, local authorities are continuing to bill these customers until a new regime is put in place. An allowance is applied for domestic usage and deducted from the metered usage of the premises, so that no payment is made on the non-domestic account for domestic usage. The charge on the domestic usage account will be subject to the relevant capped charge for domestic customers depending on the household type. Where consumption through the meter would lead to a lesser domestic charge than the capped charge, then the customer will be due a rebate on the very same terms as all other domestic customers.

Group water schemes set their own charges and are not regulated by the Commission for Energy Regulation, CER. Group schemes include private schemes, which have no interaction with Irish Water, and public schemes, which receive their water in bulk from public supplies but manage their own networks and set charges for their own customers. These schemes will remain as non-domestic customers of Irish Water for the bulk purchase of water. The current tariff arrangements, as applied by local authorities prior to 1 January 2014, will continue until non-domestic charges are reviewed by the CER. The Department of the Environment, Community and Local Government will work with the group water sector to produce a new investment programme lasting until the end of 2018 and to revise subsidy arrangements so they are aligned as far as possible with the approach to subsidy for public water schemes, but tailored to the particular circumstances of the group water sector. Households in the group water sector who respond to the Irish Water customer registration campaign will be eligible for the €100 water conservation grant, like everybody else.

To avoid any doubt, I want to be clear that it is the occupier of a premises who pays the bill. Legislation states that the owner is the occupier unless the contrary is proven. Irish Water is providing landlords with the opportunity to prove that they are not the occupier by providing the tenant's details. This will allow Irish Water to contact the tenant to complete the registration and bill the tenant. A tenant must register with Irish Water to avail of the water conservation grant, to be billed accurately and to avoid the default capped charges.

I will be introducing legislation in this House allowing landlords to deduct unpaid water charges from their tenant's deposits if necessary.

*(Interruptions).*

**Deputy Joe Higgins:** That is outrageous. They will have the landlords in the country rack-renting.

**Deputy John Halligan:** They will be taking the little money tenants owe for water on top of their deposits.

**An Leas-Cheann Comhairle:** Order, please. Allow the Minister to continue.

**Deputy Alan Kelly:** Prior to this, I will be asking my Department and Irish Water to consult with property owner representatives.

**A Deputy:** What about the tenants?

**Deputy Alan Kelly:** Provision will also be made for the automatic creation of a statutory charge on a dwelling in respect of unpaid water charges.

I accept there are many people in financial difficulty and, as Minister, I will be insisting that Irish Water distinguish between those who want to pay but cannot, and those who simply refuse to pay. Those who want to pay but are in financial difficulty, as I have already mentioned, will have the potential to avail of easy-pay options and instalment plans and to enter pay agreements, as they can for any of the other utilities we are all familiar with. Those who do not register and do not pay will not be able to avail of the water conservation grant and can be pursued by Irish Water. As indicated earlier, Irish Water will have the ability to apply the charge to a property in the event of non-payment following the passage of legislation.

As I outlined at the start of my remarks, the new capped charges for single adult households and for all other households will apply until 1 January 2019. This will allow sufficient time for the metering of all properties where it is technically feasible to do so. In fact, only this morning I learned that the number of installed meters had surpassed 500,000. A second short regulatory period will apply in 2017 and 2018, in respect of which Irish Water will submit its costs and capital plans in order for the CER to set the overall allowed revenue, approve capital investment levels and set the tariffs for non-domestic customers. It will be open to the CER to reduce the per-unit price of €3.70 per 1,000 litres after 2016 in the context of determining the allowed revenue and efficiency challenges for 2017 and 2018.

**Deputy Ruth Coppinger:** I am sure they will. They normally do.

**Deputy Alan Kelly:** During the period to the end of 2018, better data on consumption patterns for different household types will be gathered to inform future pricing arrangements, and further cost efficiencies will be secured. The Government is determined that charges will always remain affordable. Average charges will continue to be kept low through ongoing subvention to Irish Water. The legislation I will introduce will ensure charges after 1 January 2019 will be capped.

**Deputy Joe Higgins:** The Minister cannot say that for another Government. He cannot decide that.

**Deputy Alan Kelly:** The Government has consistently stated that water services will remain in public ownership.

**Deputy Paul Murphy:** Like the bin services.

**Deputy Alan Kelly:** This principle was enshrined in the Water Services Act 2007 and reaffirmed in the Water Services (No. 2) Act 2013. The 2013 Act prohibits the shareholders of Irish Water - namely, the Minister for the Environment, Community and Local Government, the Minister for Finance and the board of Irish Water - from disposing of their shares.

**Deputy Mattie McGrath:** They will be worthless.

**Deputy Alan Kelly:** The Government believes that public ownership of water services is the will of the Irish people and I propose to legislate to ensure that, if any future Government sought to change this position, it would be required to put this matter before the people in a plebiscite.

*(Interruptions).*

**Deputy Joe Higgins:** That law can be repealed.

**A Deputy:** The next Government can change that.

**Deputy Alan Kelly:** Working closely with my colleague, the Minister for Communications, Energy and Natural Resources, Deputy Alex White, I will shortly move to put in place a unitary board combining Irish Water with its parent company, Ervia. The new board will provide for stronger governance and improved setting of strategic objectives.

**Deputy Mattie McGrath:** Contaminate them too.

**Deputy Alan Kelly:** Tomorrow, there will be an advertisement to this effect on the website [www.stateboards.ie](http://www.stateboards.ie). The Government will be establishing a new public bill-payers' forum to advise Irish Water on service expectations and provide valuable feedback on investment priorities. I want Irish Water to be a totally customer-focused and customer-friendly organisation.

**Deputy Mattie McGrath:** Wishful thinking.

**Deputy Alan Kelly:** On that basis, I welcome the decision of the board not to proceed with the performance-related pay award mechanism for 2013 and 2014.

**Deputy Michael Healy-Rae:** We call them bonuses.

**A Deputy:** What about the lads in SIPTU?

**Deputy Mattie McGrath:** What about SIPTU?

**Deputy Alan Kelly:** A pay model review will be the number one priority for the new board that the Government is now going to put in place.

The previous system of providing water services through local authorities was not working properly, despite their best efforts.

**Deputy Michael Healy-Rae:** They did a good job until the Government broke them. Tell that to the local authorities.

**Deputy Finian McGrath:** They did not support them. They left them high and dry.

**Deputy Alan Kelly:** Local authorities were absolutely restricted in their ability to borrow, so they could not invest adequately in the system. Decisions on investment were slow, bureaucratic and inefficient. Planning for new water services largely stopped at the county boundary, so there was little opportunity to achieve economies of scale on a regional, sub-regional or national basis.

**Deputy Mattie McGrath:** That is not true. We are getting water from County Waterford.

**Deputy Alan Kelly:** We see the results in almost every city, town and county across this country today. There are major issues around the quality of water supply and the capacity of the existing system to supply treated water in the quantities needed by households, businesses and industry. For example, there are more than 20,000 people on boil-water notices and almost 1 million more depend on drinking water supplies that are at risk of failing the required standards.

**Deputy John Halligan:** There are hundreds of thousands receiving hard water.

**Deputy Alan Kelly:** Is this acceptable? Almost half the water treated - at significant cost - runs off in leaks and is unaccounted for.

**Deputy Michael Healy-Rae:** You did not fix one pipe.

**Deputy Alan Kelly:** In Dublin, more than 800 kilometres of pipe is over 100 years old. This is unsustainable. There is insufficient supply for the greater Dublin area. Most major European cities have a spare capacity of approximately 15% to 20%. Dublin has a surplus capacity of only 1% to 4%. We have all seen the results of that in recent years and what it has cost this city. There are 42 towns where raw sewage literally runs into our rivers and seas untreated, including Arklow, Cobh, Youghal and Bundoran.

**Deputy Stephen S. Donnelly:** Will they be charged the full amount?

**Deputy Alan Kelly:** We often talk in this House about the importance of tourism. In 2015, this will lead to swimming bans on some of our beaches during the most important months of the year for tourism. By way of example, there are 22 households that are at a cumulative level leaking over 1 million litres a day into their driveways. That is enough to serve the needs in one day of a town the size of Gorey. These leaks would only have been found using the meters the Opposition thinks we do not need.

*(Interruptions).*

**An Leas-Cheann Comhairle:** The Minister has the floor. I want no more interruptions.

**Deputy Alan Kelly:** To address these legacy issues, to invest for the future and to provide consistent customer service across the country, Irish Water needs to invest around €600 million every year. It has to be able to do this itself independently of the Government of the day so that it is not in the same queue as hospitals, schools and welfare benefits for funds. Throughout our deliberations, we have been careful to ensure that Irish Water's cost base, revenue and Government subventions are structured so that it continues to qualify under EU rules as a "stand-alone" market corporation. If we failed to achieve that, the enormous annual cost of the investment needed in our water services would fall back on the Exchequer. We will achieve this by exempting Irish Water from local authority commercial rates. This will reduce the subvention

required and more than compensate for the loss of income because of the new charges. Local authorities will be compensated directly by my Department for the loss in rates revenue.

As a result of the strategic approach we are taking, the CER has approved Irish Water's capital spending programme to the end of 2016 and the company is working on a five-year investment plan and a 25-year plan. Priorities include water for the midlands and the greater Dublin area. This is a major project to secure future supply for the majority of our population. Otherwise, this city will literally begin to run out of water. It is my aim to announce the details of this project in the first half of next year. Another priority is addressing boil water notices. In the very near future, for the first time in many years, people in Roscommon will be able to drink water from their tap. What did previous Governments do about that? The answer is absolutely nothing. Another priority is the Ringsend treatment facility upgrade. In this one project alone Irish Water through its expertise will save the full costs of its establishment. This is a saving of €170 million. It was previously priced at €350 million.

Very few people can or would buy or build a house without a mortgage. Paying for each brick out of their monthly pay cheque would not be sensible. Investment runs on finance, especially when it comes to water which requires huge capital. I will give some other examples of borrowing by our State utilities. The ESB borrowed €7 billion over seven years and invested in our electricity infrastructure. That is the same infrastructure that allows the running of data centres and other key multinational employment centres. We have some of Europe's best infrastructure for electricity. Similarly, Bord Gáis inherited the completely outdated infrastructure of Cork Gas, Limerick Gas and Dublin Gas. By creating a national utility that could borrow and invest in the infrastructure, we now have a modern and efficient gas system.

I have previously acknowledged that we made mistakes. I have also acknowledged that Irish Water itself made many mistakes. To date, the Government and Irish Water have been operating to demanding timelines that underestimated the scale of the endeavour in moving from delivery by local government to a fully regulated public utility in such a short space of time. In short, we tried to do in three years what other countries did in five to ten years. In advance of the completion of the metering programme, the charging regime was overly complex, it was not well understood by the public and it created uncertainty for customers regarding their bills in 2015 and beyond. However, the package I am announcing today corrects those mistakes. It gives every citizen of goodwill - every customer of Irish Water - a firm, fair and affordable basis on which to move forward to a better future where we will have a national water utility that will be a world leader in its field and of which we can be proud.

This package will be seen as fair by the vast majority of our people. It will be accepted as fair by the many people who have borne a burden of austerity but who aspire to a better life for themselves and their families and indeed a better Ireland for all future generations.

This is a new beginning for Irish Water but, above all, for their customers and potential customers. The key principles we are delivering on today are certainty, simplicity and affordability. I have listened very carefully to the people of Ireland.

**Deputy Michael Healy-Rae:** You took a long time.

**Deputy Alan Kelly:** Lessons have been learned. We must now move forward and resume our focus on the real challenges that remain - jobs for our young people, sharing the benefits of the recovery fairly and across all regions of the country, providing more social housing and

developing a fairer taxation system that supports jobs and enterprise.

Unlike some in this House, and as I stated earlier, I want my legacy to be one of achievement, not destruction, and to take decisions that are defined by the long-term needs of the country and the needs of future generations and not by the electoral cycle.

*(Interruptions).*

**An Leas-Cheann Comhairle:** Order please. The Minister to conclude.

**Deputy Alan Kelly:** The country got into an economic mess because previous Governments did little else but focus on the next election. The Government has been focused on getting the country out of the mess created by the Members opposite.

**Deputy Mattie McGrath:** You made some mess of Irish Water.

**Deputy Alan Kelly:** Of course, we have made mistakes as a Government.

**Deputy Róisín Shortall:** This is your own mess.

**Deputy Alan Kelly:** While we have made mistakes, setting up Irish Water was not one of them. I ask the people to give this package a fair hearing and examine it in the context of the budget announced last month. Many of these measures are underpinned by legislation that will be progressed and brought to the House before the end of the year.

**Deputy Mattie McGrath:** Will we have time for debate on it?

**Deputy Alan Kelly:** Time will be set aside for a full debate on all of these measures. I commend them to the House. I also commend the motion.

**Deputy Barry Cowen:** I am glad to hear the ten point climb-down has nothing to do with electoral cycles. I welcome the opportunity to address the House in response to the massive climb-down the Government has announced in the motion. The former Minister of State at the Department of the Environment, Community and Local Government, Deputy Fergus O'Dowd, was correct when he said the setting up of Irish Water had been an unmitigated disaster. It is a pity, however, that it took him 11 months to say it. Public confidence in Irish Water and the Government is shot. Confidence has to be restored by finding a system that can deliver proper water infrastructure and quality water to the people who are already contributing through their taxes.

I want this debate to be constructive, unlike that held last year, when the Government rammed through the Water Services Bill 2013. It is incumbent on us to inform the House about the context in which today's announcement was made, examine what the announcement offers and set out reasonable and constructive alternatives that could still be pursued. Given that the 2013 Bill was passed on Second Stage in this House on 19 December 2013 after three and one quarter hours of debate, the much-leaked clarity and certainty which the Taoiseach said would be provided today and which he said he was fed up explaining after answering questions more than 50 times have been a long time coming.

**Deputy Mattie McGrath:** There is a backwash in the pipes.

**Deputy Barry Cowen:** During that guillotined debate there was not a peep from the Government side about the level at which the charges would be set.

**Deputy Michael Healy-Rae:** They were in a coma.

**Deputy Barry Cowen:** It refused to accept the need for an ability to pay clause or that the Irish Water model would be too cumbersome and would end up costing the taxpayer more, particularly given that the service level agreements left local authorities in charge of servicing and repairing infrastructure for the following two decades. It should never be forgotten that the Fine Gael and Labour Party Members who voted for the Bill also voted to cut to a trickle the supply of water to those who would not or could not pay.

**Deputy Mattie McGrath:** The sick and the vulnerable.

**Deputy Barry Cowen:** Thankfully, that ludicrous decision has been overturned. During that debate and subsequently the Government failed to listen. It planned to appoint a regulator who would deal with the water charges issue. It was initially confident that the problem of perception about the level of charges could be kept at arm's length. I wonder what the Commission for Energy Regulation thinks of its role today in the light of what it was asked to do this time last year. Is the commission not supposed to act in the interests of the public and consumers?

**Deputy Willie O'Dea:** Allegedly.

**Deputy Barry Cowen:** Since the Government carried through its threat to establish Irish Water, it has rarely been out of the headlines. We have seen the recruitment of former CEOs of various county councils, as well as retired staff who had received lump sums from the public sector before being recruited on large salaries. All of this happened even before the infamous bonus culture was reported or it was let slip that Irish Water had spent €85 million on outside consultants by 10 January 2014. When the former Minister for the Environment, Community and Local Government, Mr. Phil Hogan, was asked whether he had cleared that expenditure, he said he did not micro-manage Irish Water. However, the notes released following a freedom of information request proved that he had been well aware of the content of the proposal on outside consultants because he had signed off on them in 2012. It is clear that the former Minister and the entire Government treated the Oireachtas with disdain. When one treats the Oireachtas with disdain, one treats the public with disdain. The Government has created a situation where many would say our very democracy is under threat because of its arrogance, stupidity and determination to create a gold-plated, bonus driven super-quango which is not accountable to the Oireachtas. The most regrettable scenario has now emerged where Ministers are unable to go about their normal business. That is unacceptable, but it could have been avoided if the Government had listened to what was said in this House 12 months ago.

**Deputy Paul Kehoe:** Deputy Willie O'Dea should not be nodding his head because he created the mess.

**Deputy Willie O'Dea:** You created your own mess.

**Deputy Barry Cowen:** The former Minister of State, Deputy Fergus O'Dowd, eventually shed crocodile tears, but it was only after he had been demoted that he described Irish Water as an unmitigated disaster. The horses had already bolted. More recently, the Taoiseach and the Tánaiste disagreed with him when they claimed Irish Water was having teething problems. When the Opposition raised the fact that the budget did not adequately deal with people's inability to pay the water charges as then proposed, the Minister for Finance said the Opposition was scratching for an issue. They have been scratching the last few hairs on their heads trying to deal with the issue since. There was another great understatement when the Minister for

the Environment, Community and Local Government wheeled out the CEO of Irish Water to apologise for everything that had gone before.

We had warned about the prevalence of duplication, triplication and waste of taxpayers' money in Irish Water, but it was to no avail. The Government ploughed on regardless, even when its own backbenchers began to express concern in recent months. It has form with this type of arrogance and defiance. We saw this in the context of medical cards, in respect of which the Government denied for 18 months that a cull was ongoing. It was only when it went before the people that it understood what they had thought about the cull. The Government has announced at least ten U-turns since last December. It abandoned the need for PPS numbers and, it appears, meters.

**Deputy Derek Keating:** Wrong again. The Deputy wrote the script too early.

**Deputy Barry Cowen:** It is introducing caps on allowances for the next four years. As Buzz Lightyear, also known as the Minister for Finance, said, these measures will possibly extend beyond that timeframe. It will surely turn out to be "to infinity and beyond." If that is the case, there will not be much conservation of water. It defies all rationale for the introduction of water charges that no conservation is being achieved.

The other main reason for the introduction of water charges, we were told, was to facilitate investment in water infrastructure, an issue in respect of which the Government has wrongly accused previous Administrations of neglect. Nothing could be further from the truth. Some €5 billion was invested in water infrastructure between 2000 and 2011, as Deputy Gabrielle McFadden will see if she checks the record.

**Deputy Gabrielle McFadden:** Is the Deputy feeling hurt?

**Deputy Barry Cowen:** The Government's determination to establish Irish Water has cost the taxpayer hundreds of millions of euro. It has stalled any progress in infrastructure provision. As others pointed out while the Minister was speaking, €700 million was spent on setting up Irish Water and the procedure for the installation of meters.

**Deputy John Lyons:** How are those e-voting machines doing?

**Deputy Barry Cowen:** Not one cent was invested in the ground or any pipe. Following its series of U-turns, the Government has created the most inefficient billing method in the western world, which involves the Department of Social Protection administering a bizarre €180 million cash rebate scheme. The income from all of this will be €90 million. In addition, the Government has spent nearly double that amount on consultants. No wonder the people are disillusioned and disgusted by politics in this country. There is a fundamental lack of honesty on the part of the Government which has moved the deck chairs so many times on this issue that people cannot believe what Ministers say either in this Chamber or outside it. In April the Taoiseach said the maximum amount families would pay in water charges would be €240. Of course, this was before the local elections, when Ministers wanted to manage expectations and let on everything would be all right on the night. However, the Government's friend, the regulator, let it down again on 13 September when it confirmed that the cost would be €500 or more.

**Deputy Richard Bruton:** The regulator did not say that.

**Deputy Barry Cowen:** Yes, it did. That was the figure given for four-person households.

Members opposite should look it up and do the maths.

**Deputy Paudie Coffey:** The numbers were agreed with the troika.

**Deputy Barry Cowen:** The Taoiseach told us that he did not agree with a bonus culture and that those days were gone. Within days of that statement, the CEO of Irish Water confirmed that all of its staff had a bonus incentive included in their contracts. The Taoiseach also said charges would be fair and that children would have a free allowance, neither of which came to pass in the course of these famous U-turns. This is the Taoiseach who wants Ireland to be known as the best little country in the world in which to do business. No business person anywhere in the world would agree that investing €750 million in a white elephant and getting a return of €90 million is good business. No other functioning democracy would countenance the hames the Government has made of this. The Government concentrated on what it saw as the big picture of investing in infrastructure, while deflecting from the advice contained in the report it had commissioned from PricewaterhouseCoopers. It deflected that advice and what it was being told by the Opposition, its own backbenchers and, most importantly, the people.

There has been no analysis of the billions of euro that apparently need to be spent in the system. That figure seems to have been plucked from the sky. Two or three weeks ago the Taoiseach said in this House that €20 billion was required. Last week he said it was €10 billion. On the radio last night a Government Deputy was referring to €20 million. This debate should not conclude until such time as somebody with eminent qualifications or independent authority can inform the House of exactly what has to be spent, where it needs to be spent, how long the process will take and what system can be put in place. It is not good enough for this entity, this monster that is Irish Water, not to have a five-year plan in place and to be still in a consultation phase in respect of its 25-year strategic plan. It is not good enough for the Taoiseach to talk about figures of €10 billion and €20 billion. We must have the facts on the table. The record will show that, with others, I have sought these facts since the first proposals were brought before the House. We sought an audit of the networks for rectification and reinstatement works - a clear setting out of what was to be done, how it was to be done and how much it would cost. We still do not have that information and that is not good business. We cannot run around the world saying this is the best small country in which to do business when we cannot even put that information on the table. The debate should not conclude until such time as it is placed before the House.

We do not know whether the first fix policy will cover lead pipes. I pause to observe that the Minister, Deputy Alan Kelly, has left the Chamber. The debate has not been guillotined, but the Minister has no interest in taking part in it. I said at the outset that I wanted this debate to be different from what went before. I want people to see that the democratic process is better than the Government wants us to believe it is. There should be a collective effort on the part of every Member of the House to resolve this issue properly and effectively. Maybe then the democratic process would be recognised by the public as something that works. After we have waited for 11 months and three weeks for everything to be put in front of us in such a way that we might begin to understand and question it, we see that the Minister with responsibility for the issue has walked out. He is nowhere to be seen.

*(Interruptions).*

**An Leas-Cheann Comhairle:** Order, please. Deputy Barry Cowen has the floor.

**Deputy Barry Cowen:** I will go so far as to seek an adjournment of the Dáil until the Minister with responsibility for this matter returns to the Chamber to hear what we have to say. I assume the Minister has left to brief the media. His ministerial colleagues do not seem to know. One would have assumed they would know and have prepared properly and adequately for this debate. The Minister has been briefing the media for the past week. We walked out of a debate on this matter once before because of the disdain with which the Government had treated the Oireachtas. If it wants to treat us with disdain again, it also will be treating the public with disdain. The Minister with responsibility should be here to represent the motion before the House. He should be here to listen to constructive alternatives and opposition.

**Deputy Frances Fitzgerald:** We have not heard any constructive proposal.

**Deputy Barry Cowen:** Perhaps then we might have a proper debate.

**Deputy Simon Coveney:** There are four Ministers here willing to listen to the Deputy's proposals.

**An Leas-Cheann Comhairle:** Order, please. I am calling Deputy Micheál Martin.

**Deputy Gerry Adams:** A Leas-Cheann Comhairle, I propose that the debate be adjourned until the Minister returns to the House.

**An Leas-Cheann Comhairle:** The Deputy will have an opportunity to speak presently. I have called Deputy Micheál Martin.

**Deputy Micheál Martin:** It is unbelievable the Minister has left the Chamber. We had the same on budget day. There has been a lot of talk about upholding and underpinning parliamentary democracy, but what the Minister has done is contemptuous of the House. I appeal to Ministers opposite and the Chief Whip in particular to bring the Minister back into the House. Pending this, I propose that the debate be adjourned.

**Deputy Gerry Adams:** We have been asking for months for details around this whole fiasco of water charges and Uisce Éireann. The Taoiseach promised us that there would be a full debate, that we would get all of the answers and that there would be clarity. What we have seen, however, is the Taoiseach and the Minister leaving the Chamber before the Fianna Fáil Party spokesman has even finished his contribution.

**Deputy Mattie McGrath:** The Tánaiste left too.

**Deputy Gerry Adams:** It is despicable. We should adjourn the debate until the Minister returns.

**An Leas-Cheann Comhairle:** I thank the Deputies for their proposals. However, under Standing Orders, the debate is to be adjourned at 10 p.m. I cannot adjourn the House until that time.

**Deputy Sean Fleming:** The Leas-Cheann Comhairle could suspend the sitting.

*(Interruptions).*

**Deputy Micheál Martin:** Will the Leas-Cheann Comhairle agree to a suspension in order to protect the integrity and dignity of the House? We will not put up with what is happening.

*4 o'clock*

The least the Leas-Cheann Comhairle should do is to suspend the sitting to protect the integrity and dignity of the House. Otherwise, I do not think we are going to hang around here too much longer to be insulted in the manner in which the Minister has insulted us.

**Deputy Joe Higgins:** The contempt with which the Minister and the Government are treating the elected representatives of the people is breathtaking.

**Deputy Mattie McGrath:** He is looking to his legacy.

**Deputy Joe Higgins:** He started by saying this was a very important day for the country because of the proposals on Irish Water and water charges he was introducing. Then he walked out and left the representatives of hundreds of thousands of ordinary people to speak to thin air, as far as he is concerned. He has come in with his array of political trickery to try to convince the people that something fundamental has changed, but people know he is just putting off the evil day when the price of water will rapidly increase, at any time his or a future Government should choose. It will happen, and people will not be taken in by the Minister.

**Deputy Sean Fleming:** Suspend the House.

**Deputy Joe Higgins:** I have no doubt he has gone to the media to sell his snake oil trickery in order to get out before the Opposition, as if the Government has not had enough access over the past 24 hours to all its favourite journalists, spinning and leaking everything the Minister said here today to get the story out first. It is unacceptable, and the Minister should be sent for immediately.

*(Interruptions).*

**Deputy Michael Healy-Rae:** Suspend the House.

**An Leas-Cheann Comhairle:** Too many Deputies are on their feet. I was in the House at 10.45 a.m. when I took over from the Ceann Comhairle, and the Chief Whip read out the Order of Business, which was agreed to.

**Deputy Mattie McGrath:** Suspend the House.

**Deputy Pádraig Mac Lochlainn:** Suspend the House.

**Deputy Mary Lou McDonald:** Suspend the House.

**An Leas-Cheann Comhairle:** It was ordered that the debate would adjourn at 10 p.m. The Chief Whip made the order.

**Deputy Martin Ferris:** Suspend the House.

**Deputy Paul Kehoe:** This is grandstanding and play-acting of the highest order.

Debate adjourned.

*Dáil Éireann*  
**Business of Dáil**

**Minister of State at the Department of the Taoiseach (Deputy Paul Kehoe):** I move: “That the sitting be suspended for 45 minutes, after which the Minister and Minister of State will return.”

Question put and agreed to.

*Sitting suspended at 4.05 p.m. and resumed at 4.50 p.m.*

**Water Sector Reforms: Motion (Resumed)**

The following motion was moved by the Minister for the Environment, Community and Local Government, Deputy Alan Kelly, on 19 November 2014:

“That Dáil Éireann:

supports the establishment of Irish Water as a long-term strategic investment project that will deliver the scale of investment necessary to deliver water services infrastructure to the highest standards required to meet the needs of the Irish people;

recognises that managing our water resources effectively is essential to ensure that Ireland can continue to support indigenous economic activity and employment, including in relation to tourism, and to attract major overseas investment and employment;

welcomes:

— the important regulatory role of the Commission for Energy Regulation in relation to water services, particularly in protecting the interests of the customers of Irish Water;

— the efficiencies in capital and operational programmes already being delivered by Irish Water and the continued efficiencies to be achieved in the years ahead; and

— the progress being made by Irish Water in implementing the national programme of domestic water metering, with some 500,000 meters now installed, supporting 1,300 jobs;

condemns intimidation and harassment of workers involved in the metering programme and any other form of non-peaceful protest;

acknowledges the demanding timelines for implementation of the water reform programme to date, which have not fully reflected the scale of the challenge in moving from local government delivery to a fully regulated single national public utility;

recognises that the complexity of aspects of the previous charging regime has created uncertainty for customers in relation to their bills in 2015 and beyond;

in light of the foregoing, welcomes the package of measures approved by the Government on 19th November, 2014, particularly the measures which provide certainty, simplicity and affordability in relation to domestic water charges, and maintain a strong focus on conservation;

and endorses the Government’s continued commitment to public ownership of the

national water services infrastructure.”

**An Leas-Cheann Comhairle:** I call on Deputy Barry Cowen who was in possession.

**Deputy Barry Cowen:** Thank you, a Leas-Cheann Comhairle, for permitting the suspension of the debate for 45 minutes to allow time for the Minister to come back into the Chamber and participate in the debate. It also gives Members an opportunity to respond in a constructive fashion to the motion before the House. In addition, many questions may be asked, clarifications sought and propositions put, but ultimately when it comes to a vote people will make an informed decision on whether to support this motion. I welcome the Minister back to the House for that purpose and hope he will continue to partake in the debate from here onwards.

I specifically want to raise the issue of Irish Water no longer having to pay the €60 million promised in commercial rates to local authorities. It appears this has been done to reduce Irish Water’s expenditure in order to help this proposal pass the EUROSTAT test. Is that test in March or is it not? In the course of an earlier submission, the Minister for Public Expenditure and Reform, Deputy Howlin, made comments to the effect that it has been already approved. Has it been approved by the appropriate authority or is he depending on a telephone call to Commissioner Hogan in order for that to have passed the test?

Many local authorities have provided within their budgets, which take place this week, for the income that was to be derived from Irish Water with those assets having been transferred to Irish Water. Does the Minister remember the networks with €11 billion worth of assets? Calculations were made by local authorities some of which have passed budgets. Some may have to reconvene their members to rectify a discrepancy. Will the Department of the Environment, Community and Local Government be asked to subvent local authorities by this amount? If so, what guarantees are in place that the local or central government fund will not be reduced by €60 million and nobody will be any the wiser as to whether the money was ever going to be made available to them? That needs to be clarified.

Local authorities around the country are deliberating over tight budgets. In the absence of even €200,000, they may have to suspend disability grants and house adaptation grants for the elderly at €15,000 a pop. That would save Revenue the cost of the fair deal, which is up to €50,000 a year.

In County Offaly, for example, applicants are being told to wait for three to five years because the funds are not available. If the funds do not exist, it will cost €15 million for those people to be housed in nursing homes under the fair deal scheme. Meanwhile, the Minister cannot provide €1 million to rectify that in a once-off payment to clear backlogs.

Apart from that, when local authorities wanted to make an effort to address those issues, the Minister pulled the rug from under them because they now do not have from Irish Water the commercial rates they get from other utilities.

**Deputy Simon Coveney:** They do.

**Deputy Barry Cowen:** If the Minister clarifies that before the debate concludes, I will have no problem with that information being made available to the House. We will then make a decision on how we will vote thereafter. That is the process in which the Minister is engaged. It is the process of putting a motion before the House, as the Taoiseach well knows. I am glad to see him back to also participate in the debate, considering he was the very one who told us

more than 50 times that we would have clarity and certainty.

**The Taoiseach:** More.

**Deputy Barry Cowen:** I want that clarity and certainty, as does everybody else here, and we expect to get it. If the debate takes a week or a month we will wait for it. As I said earlier, in case the Taoiseach did not hear, I want to see the detailed analysis of what is required, how it will be done and the associated costs. The Taoiseach is on the record as saying one week it will cost €20 billion and the next week it will cost €10 billion. He has had 11 months to figure out what it should cost, and I expect he will clarify that before the debate concludes.

I appeal to the Government to halt the proposals for Irish Water and the water services proposals it has laid before the House. As regards the EUROSTAT test, I am conscious of the on balance sheet and off balance sheet charade to which we have been listening in recent weeks and months. The bottom line is that the Government has to guarantee it, so the people have to guarantee it. That is the important point that should not be lost on anyone.

On Monday evening's "Prime Time" programme, the Minister for Health, Deputy Varadkar, was put out to bat on behalf of the Government, having had the leaks in the weekend media. To be honest, I thought he was less than sure-footed and less than committed to stating that there would be enough funding available under that model for future work to be done to rectify the system, leave it fit for purpose and then allow people to make a fair and equitable contribution. That worries me and it should also worry the Minister, Deputy Varadkar, because he is the one who is supposed to be straight. He is the one who tells it as it is and who is held up as shooting from the hip, but he was very subdued on Monday.

**Deputy Finian McGrath:** Very flaky.

**Deputy Barry Cowen:** Flaky is the word. For once the Deputy got it right.

*(Interruptions).*

**Deputy Barry Cowen:** The duty of the Opposition is to hold the Government to account and to offer constructive and competent alternatives. I and others have sought to hold this Government to account in this area in the past, but it has not been allowed by virtue of the guillotine. Our party has been consistently opposed to the establishment of Irish Water, to all it stands for and to all it has sought to do, as well as to the way it has done it.

**Deputy Mattie McGrath:** It is toxic.

**Deputy Barry Cowen:** That animal has turned into a monster. The public has no faith in it whatsoever. It has no traction, it is shot dead and people do not want to see or hear of it again. Against that background, the Minister should consider abolishing Irish Water.

**Deputy Mattie McGrath:** We could have a wake and a funeral.

**Deputy Barry Cowen:** The Government continues to give it the sort of commitment it gave to Bord Gáis and where is that? It is gone.

**Deputy Paul Kehoe:** You did it to the ESB as well.

**An Leas-Cheann Comhairle:** There will be no more interruptions. Please give the speaker respect.

**Deputy Barry Cowen:** How much will the metering cost - €500 million? It is like the Olympics; it seems the Government will take them up and put them down every four years, given the way it proposes to deal with them.

*5 o'clock*

**Deputy Jerry Buttimer:** Read the script.

**Deputy Barry Cowen:** The Government, and more particularly the Members of the House, needs to look at other State bodies that have been successful in delivering multi-annual programmes on budget and on time. We have seen different arms of the State, such as the NTMA, where the remit was broadened beyond its initial responsibility for the national debt.

**Deputy Patrick O'Donovan:** Does Deputy Cowen remember Eircom? The previous Government privatised Eircom.

**Deputy Barry Cowen:** Its remit was broadened to cater for pension reserves and the purchase of bonds. The NRA is another success story. It built up capacity with a tight management plan and executed successful implementation of multi-annual programmes across county boundaries. People have seen its ability to deliver and can see it as a success story in providing infrastructure throughout the country.

Whether the remit of it or any similar body was broadened, it could work within a budget and deliver a programme on budget and on time. It is an existing, successful model that is not bloated, not goldplated and not bonus driven. It is certainly not the super quango that is Irish Water.

**Deputy Paul Kehoe:** What about the HSE?

**Deputy Barry Cowen:** It can be funded in many ways - on balance sheet, as was done for similar multi-annual programmes in the past, or through a public-private partnership, as has also delivered in the past. The completion of such a programme could take three, five, seven or ten years. We do not know how long it will take because we do not know the exact extent of spending that will take place. I acknowledge there must be a spend but the Government should acknowledge the €5 billion spent between 2000 and 2011 that it has failed to acknowledge. It fails to honour the fact that it took place. There is more to be spent and there are difficulties, including leakages of 40% that need to be reduced to 20%.

The water quality tests must be put in place against any such investment. I have every confidence in consumers agreeing to a contribution thereafter to the maintenance of an upgraded facility. The contribution would be one that reflects the consumer's ability to pay and rewards conservation measures. The Government said from day one that this was about conservation. It has now proposed a system that will be reviewed in four years' time. Do Government Members remember, from their previous roles as councillors, that a condition of development being carried out is that water meters are installed? Those who have been awarded contracts for installation in recent months have taken them up and said they are obsolete. What guarantee can the Government provide in four years' time that what is in place now will not be obsolete then? Is there any guarantee? Government Members were well able to heckle earlier but now we cannot get a response to a simple question.

**Deputy Simon Harris:** It is so obvious.

**Deputy Pat Rabbitte:** Voting machines were obsolete after less than four years.

**Deputy Barry Cowen:** I will allow space and time to debate. I will not allow 11 months, which the Government has already had, but it is fair and reasonable to expect such information to be available to the House in the coming days.

**Deputy Jerry Buttimer:** Deputy Cowen should go back to the iodine tablets.

**Deputy Barry Cowen:** This has been, as many Deputies said, an unmitigated disaster.

**Deputy John Lyons:** Is Deputy Cowen talking about his speech?

**Deputy Barry Cowen:** It is an unholy mess.

**Deputy Patrick O'Donovan:** What about the HSE?

**Deputy Willie O'Dea:** The HSE is still there despite promises to the contrary.

**Deputy Barry Cowen:** Despite the Government thinking it has solved the crisis today, it has done nothing of the sort. In respect of what remains of the debate, I ask that the Government engage in the process and allow it to be constructive, where the contributions of all Members are taken into consideration and where Members of all parties, and none, are allowed to make suggestions and provide alternatives to the Dáil.

**Deputy Simon Harris:** We have had 15 minutes of Deputy Cowen and no suggestions.

**Deputy Barry Cowen:** If the Minister of State was listening, he would have heard them.

**Deputy Michael Healy-Rae:** Why are they not listening?

**Deputy Barry Cowen:** They do not listen because they guillotine.

**Deputy Paul Kehoe:** That is not a suggestion. What suggestions were made?

**Deputy Barry Cowen:** They guillotined legislation 11 months ago and have guillotined 65% of what was before the House. The Government has the numbers and has put a process in place whereby the former Minister, Phil Hogan, had a carrot and an incentive. The incentive was Brussels and when he got it he put it on the Taoiseach's desk and the mess left behind is for the rest of us to clean up.

**Deputy Paul Kehoe:** What is Deputy Cowen suggesting?

**Deputy Barry Cowen:** The suggestions are on the public record. If the Minister of State wants to go back over it, I can repeat them. We now have a lecture from people who carried out ten U-turns since they went before the House looking for suggestions.

**Deputy Alan Farrell:** Can we dig up the 2007 election manifesto? There are a few U-turns in it.

**An Leas-Cheann Comhairle:** I ask Members to desist from interrupting. Deputy Cowen has the floor.

**Deputy Barry Cowen:** I thank the House for the time to respond to this motion. The Government feels it has gone far enough but that remains to be seen. There is much detail that will

be questioned and I hope the information will be laid before the House to allow an informed decision to be made by Members thereafter. I hope Deputies will not walk blindly in order to be embedded-----

**Deputy Michael Healy-Rae:** They are in a coma.

**Deputy Barry Cowen:** -----in the Fine Gael policy derived and born in 2009, adhered to by the Labour Party in the meantime and watered down to such an extent that it feels it is palatable. I am afraid that is not the case and I can do nothing only to object to that motion before us.

**Deputy Paul Kehoe:** Deputy Cowen's party signed up to water charges of €400 per house.

**Deputy Brian Stanley:** I welcome the opportunity to contribute to the debate. Prior to the last election, the party to my right, if Members will pardon the pun, published an advertisement warning what Fine Gael had in store for voters.

**Deputy Aodhán Ó Ríordáin:** Deputy Stanley cannot use advertisements in the Chamber.

**Deputy Patrick O'Donovan:** Did Deputy Aengus Ó Snodaigh print them?

**Deputy Brian Stanley:** In the four years since then, we are after travelling a long distance. A Labour Party Minister came into the Chamber to present a scheme to get in water charges and impose another tax on householders. The Government is in crisis and has lost its mandate. Since the Government exited the bailout this time last year, it does not have the political cover provided by the troika for the pain it continues to inflict on low and middle-income households, which the Labour Party is supposed to be protecting.

Instead of that, we have relentless austerity. Throughout the year, the Government has limped from one disaster to another, all of its own making. It has squandered the opportunity to ease the burden and give low and middle-income families a break. It failed to do so in the budget and had another regressive budget. That is not the Sinn Féin line - the ESRI and other organisations have said so. There is a lot of talk about democratic revolution but there is little democratic revolution in the Dáil. The democratic revolution is on the streets and at the ballot box by ordinary people who say that enough is enough.

The water fiasco is the last straw. What the Government is proposing does little to give relief to citizens who cannot afford to pay and it shows the Government is refusing to listen and shows how far it is removed from public opinion. Public confidence in the so-called water reform process initiated by the Government has been nothing short of a complete shambles from start to finish. The promise to hold a plebiscite if and when it is proposed to privatise Irish Water is a distraction from the Sinn Féin proposal to hold a referendum on putting a guarantee in the Constitution that the water service cannot be sold off unless the people of this State so desire. The requirement to hold a plebiscite written into the current Water Services Act through amendment or in a new Bill, would be meaningless. A future conservative Government intent on privatising Irish Water, as the current Government has done with parts of Bord Gáis, could simply amend the legislation and in that way avoid having to hold a plebiscite. The only way to safeguard against privatisation is to pass our Bill. If the Government is committed and on sure ground, it can put hand on heart and support our Bill over the next couple of days.

The new rates at which people will be billed in 2015 are only an introductory offer. The Labour Party started with Tesco-style advertisements before the last election but now we have

a Tesco-style offer to get people to sign up and pay for water. Once they do, the charges will increase after four years, if we get that far. The clause related to affordability is meaningless as we do not know who will interpret it. We have been told it will be a Minister, but what affordability means to a Minister is different from what it means to somebody on €150 or €180 per week. The increase will not happen before the next election as the Government desperately seeks to save itself from a drubbing, but the economics of the way in which Irish Water has been established make it inevitable that the company will take in far more in water charges in the future than it will under current proposals. What is brought in under current proposals is a small proportion of the total required, with the difference made up by subventions. Approximately 10% of the cost of running Irish Water will be collected, and that is with the hope that most people will pay. I wish the Government luck with that, because, judging by what we have seen in recent months, it may not get that far.

I have pointed out on numerous occasions that the predictions being made by the Government regarding an average charge would end up being an underestimate. In August, the energy regulator announced new rates, with average charges of €275 for a two-person household and €483 for a four-person household, far above what was mentioned by the Taoiseach last January, February and March. We see that sands can shift, and by passing responsibility to the energy regulator the Government can keep the issue at arm's length. Government spokespersons will of course claim that the rates did not apply to a household of two adults and two children under the age of 18 who would be eligible for the allowance for children, but even the €240 average charge was wrong, as the total would have been €278 in the first year.

It is no coincidence that opposition to the water charges, which had always been there - as I informed the House during the debate on the Bill to establish Irish Water - increased greatly once people realised, following the regulator's report, exactly how high their bills would be. The figures were €480 or €500 for a household with five adults.

**Deputy Simon Coveney:** The Deputy is only trying to frighten people.

**Deputy Brian Stanley:** People will realise that they will face such rates in four years. I heard the Minister mention earlier that he does not follow election cycles, but this is responding to the election cycle. Since the people took to the streets, the Government has become frightened and was forced to announce so-called concessions, first for people on social welfare and then for certain tax bands in last month's budget. It has been forced into numerous U-turns but has failed to stop the building momentum and has had to make further significant concessions today. It is a major climb-down by a Government with a large majority.

Government Members hope the smaller bills that people will face in 2015 will encourage more people to co-operate with the metering programme and, most importantly, to pay their bills when they start to arrive in letterboxes next April. That is obviously a gamble on the part of the Government born out of increasing desperation, blind panic and fear that it might end up facing the electorate sooner than planned, with the albatross of Irish Water and the water charges hanging around its neck. It has been clear to the Government over the past month and more that it needed to do something major and come up with major concessions if it is to have any hope of staving off the protests and the anger of people in the streets while surviving.

We have seen that peaceful protests work, including those at the ballot box, particularly with the by-elections and local and European elections. The changes mark a humiliating climb-down on the part of the Government, but they will not be seen as enough. People want to see

the back of these charges, and the continuation of Irish Water as currently constituted means that the amount to be taken through domestic and commercial water charges from 2015 to 2018 will not be enough to feed the hungry beast.

Over the past year or two, many Ministers have repeated that the stated aim of the establishment of Irish Water - I remember a former Minister, Phil Hogan, saying this over two years ago - was to upgrade infrastructure and fix leaking pipes, but that will not happen, because the amount of money to be brought in through household charges will only be enough to pay and maintain the corporate structure, including the 400 staff and particularly those 20 staff in the higher echelons with salaries of over €100,000. There are also call centres and other corporate structures to be fed. Irish Water has already soaked up an enormous amount of public money from the taxpayer, who is being asked to effectively pay again through water charges. Not only was over €80 million given to consultants - who must be the worst consultants in history, given the advice Irish Water is acting on - but €530 million was taken from the National Pensions Reserve Fund, NPRF, which is now buried as meters outside our houses. There is one outside my door which replaced one that was already there. What was the purpose of this, when there will be flat charges for four years? How will the money be repaid if Irish Water, through water charges, cannot raise enough money over the next four years to do so? How will the books be balanced? The Government is trying to get past the next election.

This does not take into account the costs for local authorities of running day-to-day services under service level agreements. On top of the NPRF money, the State has also promised to allocate another €200 million in capital funding in the recently published Estimates. That will have to be increased, I presume, given the concessions that have been announced today. The water support payment has been changed to a water conservation payment, which will be given to every household. Along with the raid on the NPRF, we saw almost the entire amount taken in from the local property tax this year given to Irish Water as a subvention. How can we believe anything the Government states? The former Minister for the Environment, Community and Local Government, Phil Hogan, told me and other Deputies in the Chamber many times that the money was to provide for libraries, parks, footpaths and public lighting through the local authorities, which have seen their allocation through the local government fund decimated in the past number of years. Irish Water has also received money from the local government fund, which originated in the motor tax fund. The money from the local property tax was supposed to be for footpaths, lighting, parks and libraries, but it was not used for this, as €486 million was shifted in 2014.

The Sinn Féin alternative is to abolish Irish Water as it stands, because the public and Deputies on this side of the House have lost confidence in it as it has stumbled from one crisis to another. We would create a new public body with a much greater input from democratically elected local authorities and with the input of those who have long years of experience dealing with issues and problems related to the provision of water. Most importantly, this body would be accountable to the Minister and the Oireachtas, with the Comptroller and Auditor General having an important role in auditing and overseeing accounts.

If the flat charge and the lower rates for many households can be seen as the carrot part of the Government's plan to save Irish Water, it has also referred to the stick being used for those who continue to refuse to pay or who cannot pay. No doubt the Government and Irish Water are hoping that by the time the first bills are issued next spring, enough people will pay and people will have been softened up with the Tesco-style giveaway today. Perhaps I should say "super-market-style giveaway", as it may not be fair to Tesco to use the other term. The Government

hopes, therefore, that not many people will have to be dealt with using the punitive measures outlined today. These measures include landlords making deductions from tenants' deposits. Do Members on the Government side of the House know how hard it can be for a tenant to get a deposit back from a landlord? The poorest of the poor will see their deposits raided.

As the Government did not foresee the scale and increasing momentum of opposition to the water charges, only a brave person would predict the impact of today's announcement. Only when all of the details are known of the scale of penalties in six months or more will it be possible to make a judgment. The Government may be confident that it has bought much-needed breathing room but only time will tell.

The Government is to do away with the requirement to return the forms sent by Irish Water and will ensure the destruction of documents containing the PPS numbers of those who have already returned them. It is clear that PPS numbers are no longer required, but they were required previously and people were bullied into submitting the details. The flat charge and other concessions mean people no longer must prove they are eligible for allowances for children aged under 18 years.

We all want water to be conserved, both in households and the overall system; we put forward proposals on water conservation at the time of making our detailed submission. When the legislation establishing Irish Water went through the House, much was rightly made of the enormous level of waste in the system. Approximately 41% of water is wasted between the source and the user and I would not be surprised if this figure increases, given what has happened. Many leakages have been caused in the installation of water meters and the disturbance of old piping, particularly in parts of Dublin. We all agree that water conservation is a real issue and that something must be done about it, but surely the fact that the Government has changed its mind and is introducing a flat charge owing to mass public pressure contradicts the claim that conservation is the main reason for metering.

**Deputy Simon Coveney:** It is a cap, not a flat charge.

**Deputy Brian Stanley:** As the meters are now redundant, while some people welcome the changes and hope the Government will take the next logical step and abolish the charges, nothing will be done to promote conservation. If the logic of water charges and metering was to encourage people to use less water and take measures to prevent wastage, what incentive does a flat charge create for conservation? It seems people will pay more or less the same amount, whether they use two cups of water a day or fill a swimming pool every day.

**Deputy Simon Coveney:** Having a cap is not the same as having a flat charge.

**Deputy Brian Stanley:** I remind the Government that the charges introduced today are the same for millionaires and those on the lowest incomes. This is a regressive tax. If nothing else, the Government's recent actions expose the fact that the conservation argument was a red herring used to hide the truth that water charges were actually nothing more than another form of taxation. They are actually a water tax to be imposed on already hard-pressed householders who have seen a litany of cuts in wages and services and extra charges and taxes. All of this has happened relentlessly since the bank bailout.

On conservation, Irish Water has soaked up huge amounts of money, but the problem of leakages in the system has not been addressed and may have been worsened by the metering programme carried out by contractors on behalf of Irish Water.

**Deputy Patrick O'Donovan:** We thought we had lost the Deputy.

**Deputy Brian Stanley:** People dealing with boil water notices will receive a discount, but this should be extended to those with lead piping as it can be a health hazard and is present in many towns. If the Government is to cancel charges for those receiving undrinkable water, it should do likewise for individuals with lead pipes until they are replaced.

Some people are genuinely finding it difficult to make ends meet and will welcome any amendment to water charges. However, the changes are inadequate and serve only as an introductory offer to entice people to sign up to the imposition of charges that will be far higher in the long term. Sinn Féin has committed to reversing the charges if it is in government, if they have not already been reversed at that point. Today's announcement is a fig leaf attempting to cover enormous political difficulties experienced by the Government, particularly in the local and European elections. The huge protests have caused the Government pain. These changes are a desperate attempt to stave off massive and growing popular opposition to allow the Government to serve the remainder of its time and avoid humiliation in the next general election, be it in 2015 or early 2016. The next logical step following today's announcement is for the Government to take this defeat on the chin and abolish water charges and Irish Water, as configured. The Government and some elements of the media have attempted to portray the water charges protests as a sinister conspiracy. An effort has been made to entice and frighten people into accepting the concessions, but it will not work. I urge as many people as possible to turn out for the peaceful protest planned in Dublin on 10 December. Mass peaceful protest works in conjunction with the ballot box and shows that there can be political consequences. This is clear in the way the Government has backed down today on water charges - it is a humiliating retreat. It should own up, admit it is wrong, abolish Irish Water and water charges. If people come out in high numbers on 10 December to demand that the Government abolish the charges, it will have an incentive to take the final step.

**An Leas-Cheann Comhairle:** Deputy Maureen O'Sullivan is sharing time with Deputies Shane Ross, Catherine Murphy, Clare Daly and Seamus Healy. I ask for order in the House, please.

**Deputy Maureen O'Sullivan:** Last January when I wrote in a newspaper on the water issue, I made the point that access to water was a fundamental right. Water was being treated as a commodity from which profits could be made. There is no doubt that the manner in which Irish Water was set up was a debacle similar to the debacles that ensued following the setting up of the DART, the Luas, the national children's hospital, some motorway and the Poolbeg incinerator projects. In all of these cases the common denominators were massive overspending and the waste of public money. We can see how much has already been spent on Irish Water and one could be forgiven for asking how many accountants and lawyers does it take to set up Irish Water. Ní raibh airgead ann i gcomhair na fadhbanna a réiteach, ach bhí airgead ann i gcomhair na dlíodóirí agus na cuntasóirí.

Bonuses and consultancies were at the top of the agenda and this was all organised and decided before Irish Water provided any service. It was always obvious where the priorities lay regarding Irish Water. While these bonuses and fees were being decided and paid, I met people who had asked Irish Water questions but had received no answers. Questions were raised about payments and the fact that people with illnesses might have a greater than average need for water. Some people have dependent adult children who might be unemployed or in full-time education. Questions have been asked about allowances and what they will cover - people

wanted to know how many minutes a shower should take and how often the toilet could be flushed. They wanted to know what the allowances would be for people with gardens, allotments and pets. Serious issues were raised about PPS numbers, while concerns were expressed about meters and problems with shared meters. People living in apartments were anxious and the same applied to those living in rural areas and on islands because they were all paying for water schemes. There are examples in rural Ireland of very good water schemes. People do pay for them but they are getting an efficient service, the amount is nominal and the people who pay are the ones who have the say; they are the decision-makers. Was there any question of doing a social impact analysis to see the effects of what is being proposed? These were all genuine concerns expressed by people but there were no answers to these questions. One could easily think it was like a scene from a Laurel and Hardy film: "Another fine mess you've got me into." If ever there was an exercise in how not to do something, certainly the establishment of Irish Water was it.

People have been protesting for a variety of reasons. Some people are against the principle of paying for water. Some people simply cannot pay because basically they cannot afford it. They will not be happy with what we heard today. Other people in turn were protesting at the entity that is Irish Water, because of its inefficiency and ineptitude and the gross arrogance of the way in which it was doing its business.

Is cinnte go bhfuil fadhbanna ag baint le cúrsaí uisce sa tír seo. Tá na fadhbanna sin againn le blianta anuas. We know some of the problems. Every beach in this country should have a blue flag, because we have fabulous beaches, but they do not have blue flags. Areas in central Dublin and other parts of the country have systems that are antiquated and leaking and we all know about the poor quality of water. We have had water shortages, last summer in particular. Then, there is the spectre of potential privatisation. That is a real fear. While the Government might maintain it is committed to no privatisation, people do not believe it. Regardless of what the Government says there is a real possibility of a future scenario involving the privatisation of Irish Water were it to become insolvent.

Some people waste water and we also have the problem of leaking pipes and the extent to which water is lost. It is a poor system and the infrastructure is poor but this system and the infrastructure has been in place for years. The problems did not arise overnight. Where were the possible solutions in the past? They were missing.

I have met people who agree with paying for water and there are others who can afford to pay. Some people are willing to contribute because Irish people are generous and they are prepared to contribute to ensure we have a better service and to solve the problems. Some people may have been satisfied with where the Government was starting today and with what it was proposing, but the Government has lost that ground because it has put the cart before the horse.

Regardless of whether we agree with water charges some serious issues still have not been addressed as of today. The basic serious issue is with Irish Water. The Minister for the Environment, Community and Local Government said in his speech that the local authorities could not have done that. Furthermore, he said insufficient resources had been put into our local authorities over the years in this area and that they could have done a far better job than what we have seen to date from Irish Water. I am unsure how Irish Water can continue. It is an overpriced quango and we need to go back to the drawing board for a viable organisation like the local authorities which can do this. I recommend those in government read an article by Dr. Tom McDonnell from the Nevin Economic Research Institute. He has set out some viable options for

a system of water provision. We have to keep human beings in mind and not simply customers and profits. Since Ireland is totally supportive of the developing world having access to clean water at no cost, our citizens deserve the same.

**Deputy Shane Ross:** I am staggered by the tone, nature and exchanges in this debate. The unreality of what is going on here is something which I do not believe will be lost on people outside this House. I wonder why so many people marched in the first and second marches and why they will march again on 10 December. Has the Government for one moment confronted the reality that those who marched were not the usual suspects, not the small numbers who we see on every march or the small numbers who protest about some specific issue? I do not share Deputy Higgins's talk of a risen people but this was middle Ireland in revolt as well as those who cannot afford to pay. It was a combination of those who can afford to pay and those who cannot. We should ask why this is happening. To me, it is because Irish Water symbolises what is so wrong in Ireland today and what is so wrong with this Government. It embraces so many wrongs and so many attitudes which people now resent that it has united unusual and unlikely forces against the Government and this measure.

The Taoiseach was right when he said this is not just about water: it is not. That attitude has been compounded. I was staggered when I heard the Minister talking this evening about his legacy. Honestly, I thought I was living on the funny farm when I heard that.

**Deputy Alan Kelly:** He is.

**Deputy Shane Ross:** I am, and I am living in this bubble which the Government is creating.

**Deputy Mattie McGrath:** Deputy Ross should ask the people of Tipperary.

**A Deputy:** It is Orwellian.

**Deputy Shane Ross:** What is happening here is that we have a Minister, who has come to this House and who has only been in the House for a few weeks, talking about his legacy, which is a disaster of monumental proportions. Let us get on with talking about the people and not about him or his legacy.

**Deputy Paudie Coffey:** What is Deputy Ross's solution?

**Deputy Shane Ross:** Let us live in the world of the people. Nowhere is it more evident than in what the Minister said.

**Deputy Mattie McGrath:** It is left down in Tipperary.

*(Interruptions).*

**Deputy Shane Ross:** Let me quote from the Minister again. Let me further quote the Minister.

**Deputy Alan Kelly:** What is Deputy Ross's answer?

**An Leas-Cheann Comhairle:** Deputy Ross has the floor.

**Deputy Shane Ross:** The Minister said that the charging regime was not well understood by the public. That is the most condescending statement that I have heard in this House since I have come here. The public well understood these charges. The public resented the charges.

They are in revolt not only against the charges but against the Government and its attitude.

**Deputy Paudie Coffey:** What is Deputy Ross's solution?

**Deputy Shane Ross:** The important point is that we realise that this symbol has been recognised by the Government in a humiliating retreat. No such retreat has been witnessed under any other Government, even a Fianna Fáil Government, in the past 20 years. These measures are unrecognisable from the Bill that the Government introduced in this House and then guillotined. That is the second thing the people are revolting against.

**Deputy Mattie McGrath:** The Government voted for it too.

**Deputy Shane Ross:** They are revolting against the fact that the Government has a complete contempt for parliamentary democracy. The Government showed that by guillotining the Bill, which was one of the most important measures introduced in this House. Then, for the Minister to come back to the House and try to say that we need not worry because the people did not understand the changes and that his legacy will in fact show that a great institution is being set up is not acceptable.

I regret deeply that people have taken this attitude but it is true. It was evident when the Minister said that he was going to appoint people of the highest calibre to the board of Irish Water.

**Deputy Paul Kehoe:** Deputy Ross will not be on the board.

**Deputy Shane Ross:** That would make a change because this Government has not appointed people of the highest calibre before. The people who started off - we have yet to see who the Government appoints - here were again the usual suspects on the board of Irish Water.

**Deputy Mattie McGrath:** They were retirees.

**Deputy Shane Ross:** Let us have a look at them without naming them. The chairman was listed as someone who has been on the board of virtually every semi-State quango going, but she was one of the usual suspects. It is so typical of the way this country is run. Her curriculum vitae in respect of her position on Bord Gáis and the parent company, Ervia, left out one interesting thing: she was on the board of Bank of Ireland at the time of the guarantee and the property bust. Will she be appointed again to the board of this particular body?

**Deputy Paul Kehoe:** What did Deputy Ross say about Seánie?

*(Interruptions).*

**Deputy Shane Ross:** Another person was appointed. I will not mention that name either.

**Deputy Paul Kehoe:** What did Deputy Ross say about Seánie?

**Deputy Shane Ross:** However, let me say this: someone was put on the board. I rang officials from the Department of the Environment, Community and Local Government. I asked them about the person in question on the board of Irish Water. They said they do not know anything about him. That was their answer. Further inquiries about this person have drawn a blank. This is someone who is on the board of Irish Water and who will, presumably, be removed or explained.

**Deputy Mattie McGrath:** He has no legacy, has he?

**Deputy Catherine Murphy:** Today, those in government are asking the people to trust them and to trust Irish Water. They will have a major difficulty in doing that because of the legacy of what has happened in the past year and a half. We were told Irish Water would be partnered with Bord Gáis to save money, but it transpired subsequently that the amount to be spent in consultants' fees was known by the then Minister. From beginning to end, this has failed the test of trust. What we are seeing here today is the Government in a serious climb-down because of the game changer that was the 100,000 people on the street. Deputy Shane Ross was right that they were people who would not normally protest. There was no major media campaign in advance to let people know this large demonstration was to happen. It was organic. It happened mainly on social media where people swapped information.

I was on the demonstration and there was a sense of solidarity which I have not encountered in the four or five years since the country went into the bailout. People were asking why they had not done it before. They will look at today's motion as an introductory offer. They know the costs will rise, the State subvention will reduce and that borrowing costs will have to be met by the customers of Irish Water. They are not fools but are offended at being taken for them. They needed clarity and certainty not PR speak and they were certain that this was the straw that would break the camel's back.

I went into areas that would be regarded as well-off and I was astonished at the number of people who said it to me on doorsteps. I asked if they were going to go out and protest, but while most of them were not, they were offended by the debacle that was Irish Water and the fact that the Government would not listen when complaints were made throughout the year about the problems being encountered. It goes back to the PPS numbers issue, which I raised last January at committee level, and things like taking estates in charge. Even now, the Government is looking at the numbers and the Minister referred to short-term emotion and anger or long-term prudence and common sense. To refer to prudence gives the impression that there will be some money, but the Government is simply going to fund a major quango. I am not sure it will get through the EUROSTAT rules. I have quite a fear that in the same way we had the troika thrown back at us, if it does not get through those rules, we will be back here being told it was EUROSTAT that would not allow us to do it.

There is a vast hole in the numbers here. The local government fund was ring-fenced in 1997 to fund services, including water services, and it has been cleaned out. There was €999 million in that fund in 2009 and there is €110 million in the fund now. Just this year, €490 million was transferred to Irish Water. I am looking at where the Government is going to get the funds to fix the pipes. It is quite interesting when the Minister talks in his speech about the need for meters. In an ideal world, I would say there was some sense in them, but the Minister of State with responsibility for public enterprise said in 2011 that it made no sense to spend hundreds of millions of euro on metering a leaky system. There are different experiences nationally with leaky pipes. In my constituency, where there is a fairly modern housing stock, the leakage rate is not of the order of 40% but is in the low 20s. One must target the approach to leaks in areas where there are Victorian pipes. It does not require the installation of a meter at either end of a 100 year old pipe to determine that there is a prospect of a leak.

People are also offended by the metering programme and to which company the contract has been awarded. They question how the same names keep cropping up over and over again to get great benefits like the second mobile phone licence for example. Here we go now with

a major metering programme putting us into a contractual arrangement which is, presumably, impossible to get out of.

This stinks to high heaven. There is no confidence in Irish Water and people do not want to be Irish Water customers. There is a real need to go back to the drawing board. There will be no acceptance of Irish Water and there will be a great many people on the streets on 10 December. I wonder what the Government will do then.

**Deputy Clare Daly:** The Minister tells us he believes his package will be seen as fair and accepted by the majority of people. That is further proof of how completely out of touch the Government is. It really does not get it. People have gone way beyond the idea of tinkering with this toxic entity. The only thing that will satisfy the population at this stage is the abolition of water charges in their entirety, the recognition that water is a human right and a public service that should be funded from progressive central taxation and that the Irish Water entity is so ill-conceived that it can never work. The Government would do the taxpayer a favour by abandoning it now and refusing to throw good money after bad. If it does not, it will be its legacy and a monument to its arrogance.

It is a bit of a sick joke that things have got so ridiculous in the Government's statements that it tries to tell us we could make money out of it if we worked our water meters well. In any case, who would believe the Government anymore? It is comprised of the same people who told us in the last weeks and months that it had to have the PPS numbers to make the scheme work, but now tells us it does not. The levies had to be at the amounts being demanded by the CER, but now they do not. The Government told us it did not need to change the law to protect Irish Water from privatisation as it was there already, but now it is being changed. The Government's backflipping would be the envy of a professional acrobat. Everyone knows the only reason the Government is making these changes is the unprecedented people's movement. Everyone knows the Government's desperate efforts here are simply an attempt to hook people in to get the charge established. Once that happens, it will rise relentlessly. It is precisely for that reason that the Government will fail as people have made it clear that they cannot and will not pay. They are sick of managing and of getting up early in the morning to work longer and harder for years.

The Government's idea of dressing up this extortion as a means of improving the water infrastructure is insulting. The Tánaiste made the point last night that she was shocked to hear of raw sewage going into the sea. I was shocked that she was, as the dogs in the street know that to be the case. Why does the Government not fix it? One would think there had never been any investment in infrastructure in the State. There was and when it happened it worked well. The Government and its predecessor managed to slash investment in water infrastructure by 70% since 2008. Not only that, but capital programmes which were under way were axed when Irish Water came on the scene. Projects planned by local authorities were shelved and the Government has not put a single water butt onto a Government building not to mind dealing with anything else in terms of conservation. Instead, the Government has decided to continue to throw away hundreds of millions of euro of taxpayers' money on the installation of water meters notwithstanding previous studies saying it was an uneconomic proposition in the context of revenue generation and despite the fact that the Government has abandoned it anyway by reverting to a flat charge whereby millionaires pay the same as those on social welfare.

The people know we have paid for our water supply already at €1.2 billion per annum. We are paying twice now through €700 million in property tax and pension funds which are being

frittered away on Irish Water. People have said they will not pay a third time or have the Government charge us a fourth time in repaying the borrowings. If the issue was one of infrastructure, why did the Government provide tax breaks in the recent budget for the top 17% of earners to the tune of €400 million when this measure would only yield €90 million?

**Deputy Finian McGrath:** That is a good point.

**Deputy Clare Daly:** The Government has made a serious mistake today. As the Minister stated, this is an historic day. The Government had an opportunity to listen, take a step back and abolish water charges and Irish Water but did not take it. No one can govern against the will of the people. The Government has lost the mandate of citizens and its days are numbered. If the Taoiseach had any self-respect, he would call a general election and go to the people. We had to listen to him at the weekend waffle about democracy, aided and abetted by some of his friends in the media who tried to discredit a people's movement and insult people by claiming they had allowed themselves to be led by a sinister fringe. Where was the coverage of the 200 women in Coolock who protested peacefully outside the local Garda station last night? Those who are undermining democracy are not in communities but sitting on the benches opposite. The Government parties went to the people with the message that if they voted for the Labour Party, they would be saved from the Fine Gael Party's water charges, while Fine Gael stated that if people voted for it, the party would not introduce a charge, unless meters were installed. That is fraud, not democracy. The Government has betrayed the people and succeeded in awakening a sleeping giant. Now that people have woken up, they like it and will not go back into their box. The demonstration on 10 December will be enormous and the Government will not survive it, unless it cops on beforehand. If it tries to limp along after that date, it will find it will become impossible to collect the water charges in April 2015. I strongly suspect, however, that collection will not be the Government's problem because it will probably be gone by that point.

**Deputy Seamus Healy:** The arrogance of the Government is absolutely breathtaking. The contempt the Taoiseach and his Ministers have shown for the Dáil, Opposition Deputies and the hundreds of thousands of people we represent demonstrates that they have lost touch with the real world. The irony and hypocrisy of the Minister's announcement in introducing water charges will not be lost on the general public. During the most recent general election campaign the Minister and the Labour Party asked people in Tipperary North to vote for him to prevent the Fine Gael Party from imposing water charges. He stood on a Labour Party manifesto which opposed water charges. His party broadcast the so-called Tesco advertisement in which people were warned not to vote for Fine Gael because it wanted to introduce water charges. By introducing them, the Minister has done a U-turn and broken the promises and commitments he and his party made. This hypocrisy is undermining democracy.

Not to be outdone, the Tánaiste and leader of the Labour Party, Deputy Joan Burton, contrary to commitments and promises made by her party, has presided over the destruction of the social welfare system. The child poverty rate stands at 28.6%, with 130,000 additional children living in poverty. Without doubt, these children have been affected by the savage cuts in child benefit introduced by the Tánaiste. Other cuts introduced by her include the abolition of the telephone allowance, reductions in the respite care grant, the free fuel scheme, electricity payments, maternity benefit and the one-parent family payment, as well as the abolition of the bereavement grant, and the list goes on.

Despite election promises, the Government is implementing the austerity policies of the previous Fianna Fáil-Green Party Government. It cannot be trusted and does not have a mandate

for austerity or the introduction of water charges. The lie is being peddled that the public will not pay for water.

**An Leas-Cheann Comhairle:** I am sorry, Deputy, but I must-----

**Deputy Seamus Healy:** The untruth being peddled is that the public will not pay for water.

**An Leas-Cheann Comhairle:** The word “untruth” is more appropriate.

**Deputy Seamus Healy:** Members of the public continue to pay for water through general taxation. The proposed water charges amount to double taxation and an attempt to make hard-pressed families pay a second time. This revenue raising exercise which has nothing to do with conservation will not work. Today’s announcements amount to political trickery to get water charges over the line and establish the principle of charging for water at any cost. Once water charges have been established, water will become a commodity and charges will increase to reflect the principle of full cost recovery under European Union law. The announcements are the thin end of the wedge. They are akin to a supermarket’s use of a loss leader, the practice of casting out a sprat to catch a salmon or the trick used by the spider of inviting the fly to come into its parlour. Members of the public know that water charges are a trap and they will not be fooled. They also know that charges introduced at a low level will balloon into significant sums, as occurred after refuse and bin charges were introduced. I will tell a little story to illustrate my point. As a member of Clonmel Corporation when it introduced bin charges of £5 per annum, I opposed the measure on the basis that the charges represented the thin end of a wedge that would, in time, hit hard-pressed families very hard. I was ridiculed by the usual councillors from Fianna Fáil, Fine Gael and the Labour Party. What happened subsequently? Bin charges now stand at more than €300 per annum, more than 30 times higher than the introductory rate; the waiver for low income families has been abolished and the refuse service privatised. That is what the future holds if we allow water charges to be introduced. Members of the public are aware of this and will not be sold a pup a second time after the Labour Party sold them one in the 2011 general election.

Families have had enough after six years of austerity. The hated water charge is the straw that broke the camel’s back. Commitments to introduce legislation to prevent privatisation are nothing more than promises from a Government that cannot be trusted. Proposed legal changes to cap charges for a number of years, make it more difficult to privatise Irish Water or require a plebiscite before privatisation are completely bogus. As any Act can be repealed or amended by a simple majority of Deputies, such a proposal is pure deception. If the Government was sincere on this issue, it would agree to a constitutional amendment.

Members of the public know that only people power can defeat water charges and secure the status of water as a human right and public good. The most important task for the risen people is to turn out in large numbers for the national protest on 10 December. In County Tipperary they should support the march in Nenagh at 2 p.m. next Saturday which will start at the railway station and the march in Clonmel on the following Saturday - 29 November - which will start from the Main Guard.

**Deputy Paul Kehoe:** The Deputy can afford to pay water charges.

**The Taoiseach:** Some weeks ago I promised that the Government would listen to people’s genuine concerns about the impact and affordability of water charges. We also promised to bring clarity, certainty and predictability to the issue. That is what the Government has done

in the decisions announced today by the Minister for the Environment, Community and Local Government.

There is a recognition by all reasonable voices that the antiquated 19th century set-up we have for water services will not serve the needs of the country or children. For too long, difficult political choices were ignored and put off by previous Governments. The problems arising from an unreformed water network and under-investment can no longer be ignored. We cannot ignore the raw sewage that continues to flow into streams, rivers and harbours near 42 towns.

**Deputy Mattie McGrath:** Why did the previous Minister, Mr. Hogan, ignore it and leave the country?

**Acting Chairman (Deputy Bernard J. Durkan):** We will have one voice, without interruption.

**Deputy Micheál Martin:** The Acting Chairman should calm down.

**Acting Chairman (Deputy Bernard J. Durkan):** I am calm.

**The Taoiseach:** We cannot allow 22,000 people to be stuck on boil water notices indefinitely.

*6 o'clock*

We will not stand over a situation where water supplies for 945,000 people require urgent remedial attention. We cannot afford to lose into the ground nearly 50% of all treated water. We cannot threaten job creation and recovery by keeping the drinking water supply for the greater Dublin area on a knife edge. None of this is acceptable.

The old system, based around 34 different local authorities each trying to provide water services out of annual grants from central government, has failed our country. That is not because of any lack of dedication by local authority staff. It is because water planning stopped at county boundaries. There were no economies of scale.

**Deputy Mattie McGrath:** That is not true.

**Deputy Micheál Martin:** He is making it up as he goes along.

**Acting Chairman (Deputy Bernard J. Durkan):** Deputy, you will have an opportunity to speak. Please be silent and give the courtesy of free speech to everybody else.

**The Taoiseach:** The ability of local authorities to borrow for investment was severely restricted and investment decisions have been slow, bureaucratic and unco-ordinated. Every Deputy in the House knows that. Why should we continue with this? Would we try to plan and run our electricity and rail networks on a county basis? It seems that is what the Opposition wants.

Our population is increasing, our economy is now the fastest growing in the eurozone and our climate is changing. We have to change Ireland's public water supply system to meet these new and growing demands. There is no good time to take decisions that have a financial implication for households, least of all as we are emerging from one of the worst recessions this country has endured. The last recession was caused by economic mismanagement and by choosing the politically expedient over the difficult reform. As Taoiseach and head of Govern-

ment, we have to take decisions in the long term interest of our country.

By 2030, the world is expected to have 40% more water demand than supply, which will be a critical problem for many countries. According to the World Economic Forum, water crises are already the third global risk about which countries are most concerned. We have a responsibility to ensure that Ireland is not a victim of water deficit, by investing sustainably in our water system after decades of under-investment so that it is resilient enough to face the new demands. In today's announcement the Government is bringing clarity, certainty and predictability to the pricing regime that will apply to domestic water services.

We have listened carefully to the concerns of families and vulnerable people all over the country. I commend those who have done this in a peaceful and respectful manner. Their voices have been heard and listened to. Today we have outlined a comprehensive package that will provide long-term certainty for everyone. Single adult households will have a capped charge of €160, which will amount to an effective charge of €60 after registering with Irish Water to receive an annual water conversation grant of €100 from the Government. That is a cap of €1.25 per week. All other households will have a capped charge of €260, which will also amount to an effective charge of €160 once the annual water conversation grant is also taken into consideration. That is a cap of €3 per week.

It is important to note that this is a capped charge, not a flat charge. Water conservation is still central to this package of reform. There are real incentives for households to manage their water use. All households with a meter can still use their water carefully in order to reduce their bills even further. If metered households can reduce their water consumption by between 10% and 15%, then approximately half of Irish households will be able to beat the cap and have bills lower than the capped amounts set out. Even households without a meter today still have an incentive. If their metered use in the future shows less use than the capped charge they will be entitled to a rebate. Meters are also an essential tool in detecting leaks on the customer side. This represents 10% of the overall leaks nationwide. The first free fix scheme that will be rolled out by Irish Water will address these wasteful leaks. This will save money through treated water not being lost.

The capped charges will be in place until 2019. The volumetric charge of €3.70 per 1,000 litres remains low by European standards. Some parts of Britain pay as high as €6.63. People do not know what the price of gas or electricity will be in three years' time, but what they do know from today is the maximum bill for water for the next four years. People will rightfully ask what happens from 2019 onwards. This Government is determined that water charges will always remain affordable. That is why the Minister will legislate so that domestic charges from 2019 onwards can continue to be subject to caps and allowances set by the Minister for the Environment, Community and Local Government. That is to ensure that water will be always affordable for families.

There will be no change in charges until the metering programme is near completion and the public is confident that its contributions are being used widely by Irish Water to address the many defects in our network, and for those purposes only. Average charges will also continue to be kept low through reductions in operating costs by Irish Water. The regulator has instructed that there be a 7% reduction in operational costs to be delivered each year between now and the end of 2016, and €1 billion in revenue efficiencies by 2021. Irish Water will come forward in early 2015 with a plan in respect of those operating costs to significantly reduce headcount up to the end of 2018 by steadily eliminating the inefficiencies inherent in the current fragmented

water system.

I understand the daily challenges being faced by low and middle income households across the country to make ends meet. This Government is determined that the economic recovery now under way is felt right across the country and in every household. That is why I can confirm today that this is the last new national charge to be introduced by this Government. I can also confirm that the combined budgetary measures, such as tax cuts, improvements in child benefit and the water conservation grant, will more than off-set water charges for every household in the country with somebody in full-time work.

As a result of the tax cuts announced in the budget by the Minister, Deputy Noonan, a single worker on the average wage of €35,000 will get tax cuts of €400 in 2015, almost seven times the net water bill of €60. A married couple with two children, earning €55,000 and €50,000, respectively, will be more than €1,040 better off next year after paying the maximum net water charge of €160. A single person on the minimum wage will get a tax cut of €173, almost three times the maximum net water charge for a single adult household. This is only the first instalment of a plan to progressively reduce the tax rate on low and average earners, because we can now afford to do so. I confirmed during my budget speech that the intention of the Government is for the tax rate on middle income families to be lowered further in budget 2016 to, at most, 50%. This is all possible because Ireland is now in recovery.

We have moved from a situation in 2011 where the very future of the economy was in doubt to one where we now are the fastest growing economy in Europe. We have created 70,000 new jobs since we launched our action plan for jobs and are on course to exceed our 100,000 new jobs target next year. An unemployment rate of 11% is unacceptable and that is why we must push on with our reforms to help create more jobs and investment. The Government is also hitting its deficit reduction targets, a prerequisite for jobs and investment.

I have not heard one constructive suggestion from anyone on the Opposition benches except the term “abolition.” The alternative being offered by Opposition parties is to undo the progress we have made, increase taxes on income and employment and retain a broken and wasteful water system. They want less work and less investment, and more waste. They thrive on fear and misinformation. They only offer protest, slogans and dead ends; they are not offering solutions to the complex problems facing society and the economy.

*(Interruptions).*

**Deputy Mattie McGrath:** It is very clear that there is no planning.

**Acting Chairman (Deputy Bernard J. Durkan):** Please refrain from interrupting. The Deputy will get his opportunity to speak. This is not the parish pump. Will he, please, allow the Taoiseach to speak?

**Deputy Mattie McGrath:** It is with the Deputy in the Chair.

**Deputy Paul Kehoe:** Empty vessels make most noise.

**The Taoiseach:** The Chair is in total command.

As I said, they only offer protest, slogans and dead ends; they do not offer solutions to the complex problems facing society and the economy. When the country sees the benefit of these reforms and the debate moves to the next challenge, they will abandon those vulnerable house-

holds and householders whom they have encouraged to break the law. They have no alternative to the requirement for Irish Water and the programme of restoration and investment it is necessary to implement.

In contrast, government is about finding solutions and making decisions to implement these solutions. We are driven by the need to reshape the country to safeguard the future for children. In that context, we stand over fully the decision to create a single water utility. A single centre of expertise to manage the national water network is already beginning to deliver benefits. The utility has adopted a new approach towards asset management and capital project planning. This is evident in the targeted €170 million saving through the proposed Ringsend wastewater treatment plant upgrade as an alternative to plant extension. This amount is equivalent to the cost of the establishment of Irish Water and has been saved in one strategic decision by the utility. We have also witnessed the saving of €100,000 per month through the restructuring of the upgrading contract for the major treatment works required in Galway city which are under way. This has happened because the utility is taking a national approach to all water assets. This is best practice in asset management and points to the company's new and modern approach. This would have been very hard to achieve under the disparate, local authority managed public water system.

The centralisation of procurement is also delivering new efficiencies that were never achieved under the old system of 34 water service authorities. Some €12 million has already been saved on goods and services procurement in the first year alone.

There has been a focus on improving water quality, a focus people living in certain parts of the country such as Roscommon would like to have seen years ago. By the end of the year, as a result of Irish Water investment, boil water notices will have been removed for the first time in 12 years in many parts of County Roscommon.

**Deputy Micheál Martin:** That has nothing to do with Irish Water.

**The Taoiseach:** The people living in these areas will, no doubt, appreciate the improvement to their lives.

In addition, almost 21,500 people are using drinking water supplies that are no longer deemed to be at risk through the Environmental Protection Agency's remedial action list.

Irish Water has outlined a €1.8 billion capital investment programme to improve water services nationwide. In the interests of transparency and accountability, a new public forum, drawing from households and businesses, will be established to engage with Irish Water on matters such as priorities for investment and service standards. I believe the people liked the concept behind the Constitutional Convention and that they liked the method of selecting a gender balanced group from different categories and regions. Therefore, we intend to have a people's forum - 60 people - that will have responsibility and authority to engage with Irish Water on a regular basis on its investment programme in order that people will see that the contributions made for the domestic water supply go to where they were intended to go. I believe the people will respond to this initiative in the interests of Irish Water being seen to be responsible to the people for their supply.

In undertaking a reform of this scale and ambition, I recognise and acknowledge that the Government has made mistakes along the way and regret the unnecessary fear caused regarding the scale of charges because of the misinformation and confusion being bandied about.

However, establishing Irish Water has not been a mistake. I recognise that, as a new utility in charge of a vital natural resource, it faces huge challenges to build public trust in its operations. It knows and accepts that challenge and I believe it is up to the challenge and will prove this in the period ahead. By the end of the first phase of its operations, by 2018, I want to see Irish Water accepted as the trusted guardian of our vital water supplies for the benefit of every citizen in the State. This can be achieved by delivering for the people, delivering better supplies into people's homes, not having raw sewage enter our precious rivers and lakes and providing a consistent and high quality service for industries reliant on water. These will be the criteria on which the success of Irish Water will be judged. The coming years will see the transformation of water services and, in time, Irish Water.

Today's announcement is a major milestone in delivering on our reform programme. After decades of inaction, the Government was elected on a strong platform of radically changing how we managed the economy, public institutions and our natural resources. This is what that reform looks like. From local government to welfare and work activation, the financial sector, the national finances, bankruptcy laws, supports for small business, further education, the junior certificate, health services, freedom of information, the Haddington Road agreement, the political system and child protection, the Government has introduced more radical reforms in a little over three years than the past three Governments. Change can be difficult for many, especially when faced with uncertainty. I hope the Government announcement today on the scale and scope of the water charges will address many of the fears and concerns people have had about these reforms. I know that the announcement will bring both relief and certainty to the majority of people who wish to contribute to the continued development of the country. We can now move on and continue the work to secure the nation's recovery and make Ireland a better place for families, children and our way of life. I commend the motion to the House

**Tánaiste and Minister for Social Protection (Deputy Joan Burton):** Today marks a fresh start for Ervia-Irish Water. This new beginning has been made possible through the viable and tangible economic recovery under way. This is a welcome turnaround in a little over three and a half years. From despair that could have ground us down, we have moved to the cautious but realistic hope of a future rooted in shared prosperity. This has been achieved through the resilience of the people whose sacrifices made the recovery possible.

Speaking of the United States in 1932, before he became President and in the midst of the Great Depression, Franklin Delano Roosevelt famously said:

The country needs, the country demands, bold, persistent experimentation. Take a method and try it. If it fails admit it frankly and try another.

Yes, in fixing the country we have made some mistakes along the way. I have no problem in admitting this. At times we have been accused of not listening. However, I believe the country is in a much better place because of the work we have done. Today we have listened and delivered. We have listened to concerns and frustrations expressed about Irish Water and delivered a new charging structure that is affordable and provides certainty and clarity about what people will have to pay.

The Government has never walked away from any challenge that has confronted it, yet we have endured perhaps the biggest set of challenges facing any Government in the history of the State. That task has required us at all times to be level-headed. We have had to balance economic demands with the maintenance of social cohesion. We have had to broaden the tax

base, while ensuring low and middle income families are not squeezed further. We started that process of reform in the budget and will continue with it. We have had to get businesses back on their feet while continuing to invest in vital services.

A modern economy needs an infrastructure that provides clean water in sufficient quantity for homes and businesses. Security and quality of water supply and sewage services are essential to economic growth. To see why, we only have to consider the impact on businesses in Dublin this time last year when there was a water shortage, or the fact that multinationals based in Ireland have stressed the need for a reliable water supply to facilitate production. Last week, we had a great announcement on the north and west side of Dublin of 1,000 construction jobs at a new state-of-the-art biological medical facility, which will be one of the most advanced in the world. That is Irish success. That is what all of our people have done. That is what we, as a Government, have helped to deliver. Multinationals in Ireland need to have reliable water for the tens of thousands of people who are finding employment, not to mention our own local industries, businesses and entrepreneurs.

Simply put, our water pipes, sewers and treatment plants must work as efficiently and productively as our fibre-optic networks, data centres and power plants. Instead, much of Ireland's water network dates from Victorian times, and we have seen problems across the country with supply, such as boil-water notices in several counties. This is the result of chronic under-investment in water infrastructure over many years, and people have to understand that.

**Deputy John Halligan:** The Tánaiste was in government.

**Deputy Joan Burton:** It is therefore essential that we provide for enhanced investment in the network and encourage conservation of a precious resource. I believe many on the Opposition side want clean water, but we cannot have that without investment.

**Deputy John Halligan:** We know that.

**Deputy Joan Burton:** This is a critical point which I want to make seriously. I know many of the Members present have listened and debated, and I have listened to them as well. Rather than have water services compete with other demands on public funds such as school buildings, hospital beds and broadband networks, the Government established Irish Water as a self-funding body that is separate from the State's needs. Instead of being in the queue for the annual budgetary allocation, Irish Water will be able to focus on investing for the long term - the next five, 20 and 50 years that are the standard time horizon for a provider of essential services. We have set up a system that will ring-fence water investment by enabling access to capital funds separate from the State's own needs. Can anyone imagine what would happen if the investment needs of the ESB or Bord Gáis depended entirely on the public capital programme and were in competition with all the other demands made on the State? We want to get both. We want a public capital programme and we want an investment programme for the ESB, Bord Gáis and our desperately needed water infrastructure. The position of those on the Opposition benches who talk about funding water investment and everything else via general taxation means that those vital areas would have to compete with each other and, potentially, our schools, hospitals and other infrastructure would lose out. I do not believe that is what the Opposition wants, which is why this debate is so important. We have to settle, as a country and as a people, on a mechanism for effective investment that delivers the infrastructure at the best possible cost to everyone who lives in this country. Irish Water is the only mechanism that can deliver access to funds in a way that is independent of the State itself. It is just foolish to assert that general tax-

tion can be the mechanism that secures these funds and everything else, despite much-shared agreement on the Opposition benches that this is what we need. It could happen, of course, but it would only be at the price of diverting funds from other priorities.

We are to have water charges for this one single reason: to allow us to invest in upgrading a ramshackle system that remains entirely unfit for purpose despite the best, but inadequate, efforts of previous Governments. Water charges are an investment in a cleaner environment, which will underpin our attraction to tourists and our agricultural base. They are an economic investment, vital to attracting continuing local and foreign investment. They are a vital ingredient to secure a better quality of life for every family.

Over the next ten years, we simply have to fund a programme that will cost at least €600 million a year, even to keep the current set-up in operation. The alternative is that the ugly sight we saw on last night's television news of raw sewage polluting our precious rivers at 42 different locations, and the horrific situation that the people of Roscommon have had to endure, would spread right across the nation. The alternative would also involve widespread shortages for up to 1 million customers in the greater Dublin region, where current supply is precarious, to say the least.

We want to attract environmentally conscious tourists. We want to export food with a high-quality, green Ireland brand image. We want to attract industries that are able to access the quantities of water they need. All of this means sustained investment in our water production and sewage and effluent systems. Commercial water charges are part of that, and now we are seeking to establish a modest, affordable and capped domestic charge that will gradually be based on metered usage under the control of the consumer. Since I had the honour to become the leader of the Labour Party, in response to the many questions I have been asked, I have laid out this approach repeatedly. I am delighted to be able to say that due to the work of the Minister for the Environment, Community and Local Government, Deputy Alan Kelly, we have set out fair, capped, affordable charges that are set at a modest level, and there is now absolute clarity and certainty about the charges. The scaremongering on the issue from some in the Opposition will finally be seen for what it is. The new charging system is modest and affordable, as I pledged in this House in recent weeks. A single-adult household will pay €160 a year and qualify for a €100 payment in the shape of a water conservation grant from the Department of Social Protection. In other words, the net bill for a single-adult household will be just €60 a year, or approximately €1.15 a week. All other households will pay €260 a year and qualify for the same €100 water support payment. This means their net bill will be €160 a year, or approximately €3 a week. These capped charges are being introduced until the end of 2018 and the legislation being introduced will provide that a further cap, which will be equally affordable, will be introduced from 2019 on. Therefore, it is €1.15 a week for a single-adult household and a little over €3 a week for all other households. In addition, charging will not begin until January, to allow Irish Water and the Irish people sufficient time to complete the registration process. This means that no householder will see a bill before April, and when they do, that bill will be modest and affordable.

By that time, the various budgetary changes we announced last month will have taken effect. These budgetary changes, which will be in people's salaries from January and February and their social welfare payments from December, will see a single worker on average earnings gain almost €8 per week. This will mean that Irish families will still be better off next year even when the water charges take effect. This revised pricing structure ensures certainty, simplicity and affordability. It also allows sufficient time for Irish Water to bed down as a utility, secure

future investment, fully roll out metering and demonstrate that, over time, the meter can be one's friend, because we are not walking away from the core principle behind this new system - the need to conserve water. On their bills, householders will also see what their metered usage is and, if it is less than what they are paying in capped charges, they will be able to qualify for an annual rebate, so there will be a clear incentive to conserve. Denmark, for example, witnessed a 12.6% reduction in household water consumption between 1996 and 2007 following the introduction of meters and volumetric charging. Once householders see that the meter can be their ally in further reducing bills, I believe the current opposition to metering in some parts of the country will decrease.

The Department of Social Protection will be administering the water conservation grant of €100. As has been said, because of these changes, PPS numbers will no longer be required by Irish Water. Under the supervision of the Data Protection Commissioner, the PPS numbers held by Irish Water in respect of those who have already registered with and provided their details to the company will be deleted. Once again, this demonstrates that the Government has listened to those concerns and addressed them. The water conservation grant will ensure that net bills are affordable for all households. However, I am keenly aware that people also need easy payment systems. Following discussions with the Government, Irish Water will ensure that an easy-pay option is available so that customers can make part payments of as little as €5 any time they wish. Retired people and pensioners in particular have asked me about this and I am glad to say this will be the case. A full range of flexible payment options will be available, including through local post offices.

We are also addressing another concern. We are ensuring that Irish Water cannot be privatised at some future point. Any future attempt to do so would require a referendum in which the people would have their say. This bar is set so high that any reasonable person will see there is absolutely no question of Irish Water ever being privatised, nor was there to begin with. However, I accept that people want assurance on that point. When this country was on its knees and in desperate need of cash, disposing of the family silver would have been a way of raising funds. When Fianna Fáil was subject to the troika pressure, it listed a lot of those things in its plans. Happily, because of the way we managed this process, the number of things we had to do was significantly reduced. The electricity and gas networks have remained in State ownership. That was an issue.

**Deputy Micheál Martin:** That was always going to be the case.

**Deputy Joan Burton:** Look at the list and read it back.

**Deputy Micheál Martin:** Do not talk nonsense.

**Deputy Joan Burton:** I know Deputy Martin did not read many documents. He should read it back. I hope all the changes we have made will alleviate the concerns of the many thousands of people who marched peacefully and legitimately in recent weeks in cities and towns across the country. Their peaceful and dignified manner contrasts with the behaviour of some of the ringleaders of the protests to which I and other Labour Party and Fine Gael colleagues have been subjected in recent times. They are ringleaders who masquerade with a ballot box in one hand and a megaphone in the other and who have no interest in solutions, only in fomenting despair and discontent. Their principal ambition seems to be to turn us into Greece. They are ringleaders who incite and whip things up and then, like cowards, put their megaphones back in the boot of the car and drive away. They run away. What kind of leadership is that?

When I became Labour Party leader and Tánaiste, I said we would govern with head and heart in equal balance - listening to the people and doing the best for this country. I believe the revised package of water reforms announced today by my colleague, the Minister for the Environment, Community and Local Government, does exactly that - listening and acting in the best interests of the people and the State.

In the time available to me, I will refer to something Deputy Cowen said earlier. Great public projects, both in Ireland and internationally, rarely follow a smooth path, and Irish Water is no exception. Deputy Cowen spoke about the motorways. For years, the Fianna Fáil motorway programme was plagued by whopping cost overruns and mismanagement that at times threatened to derail the entire enterprise. Eventually, better project management through a national structure rather than a local county-based one greatly improved the situation. The main motorways are of great economic benefit to the country, but one needs vision to see through a serious investment programme to address a serious problem in the country. Today, we have adjusted the system to improve efficiency and long-term clarity. It is Irish Water mark two, and I have no doubt there will be further adjustments when we get the results of large-scale meter readings in the period up to 2018, when the measures announced today will come up for review. The important thing is the goal we have set of sustained investment, a secure supply at a reasonable cost, clean rivers and a water system that is fit for the times we live in. It is so sad to read about the towns that suffer with raw sewage, including Cobh, Passage West, Ringaskiddy, Youghal, Killybegs and Arklow. A total of 42 smaller towns are affected, including Kilkee, Kilrush, Rush, Spiddal, Duncannon and Dunmore East.

In two years time, we will proudly commemorate the 100-year anniversary of the spark that ultimately gave this nation its freedom. We will listen to the criticisms and alternatives that the Opposition will offer. However, getting behind a really solid investment programme in water of the kind we have outlined today is a fitting memorial. Although it was the second city of the British Empire, Dublin in 1916 had an appalling infrastructure and appalling poverty and death. Today we have, comparatively, a very poor national water infrastructure. We must act to fix it. I invite the people in the Opposition to look at our proposals and see what they will deliver to families, communities and the country as a whole.

**Deputy Micheál Martin:** For the tenth time we are looking at Government proposals on this issue, so we have been looking at them time and again. For over six months the Government has been saying it understands the scale of public anger about Irish Water and water charges. There have been near-constant meetings of the Cabinet and Cabinet sub-committees to find a way off the hook. This issue was central to a budget announced a little over a month ago. After large-scale demonstrations throughout the country, there have been emergency meetings and there has been a desperate scramble to rescue Irish Water. This is not about Irish Water mark two. It is a desperate scramble to rescue the Government from the mess it created.

Yet for all of this, the crisis will continue, because the Government will still not acknowledge that its entire water policy is a shambles and should be scrapped. This will not be the final announcement, because it leaves in place a policy that wastes large amounts of public money, is inefficient and obliges people to pay for unacceptably poor services and poor water quality. George Orwell's *Animal Farm* is on the junior certificate syllabus for 2015. His spirit is alive and well in the Orwellian language used by Government spokespersons, including the Taoiseach, the Tánaiste and Ministers. Standing back from the politics, I have never witnessed such a complex payment method in all my life. Irish Water sends a bill for €260 while the Department of Social Protection sends a cheque for €100. The Government calls this a water conservation

bill, which is as Orwellian as it gets. It is incredible.

**The Taoiseach:** What is the Deputy's suggestion?

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

**Deputy Gerry Adams:** Scrap it.

**Deputy Micheál Martin:** I would scrap the whole thing. It is being done for the sake of €100 million. Nobody has ever witnessed this before. On the one hand, a bill will issue for €260, and on the other, a water conservation cheque worth €100 will be sent. It is risible.

**Deputy Paudie Coffey:** Fianna Fáil wanted to charge €400.

**Deputy Micheál Martin:** Less than a year ago the Government was pushing through legislation with claims that it would herald a new and positive era for water services. The speeches we are now hearing were last heard a year ago. Speaker after speaker from the Government benches hailed their visionary leadership and claimed that everything would be transparent and fair and earn public confidence. Instead, however, they sapped confidence. After the latest of a dozen U-turns and a massive climb-down, we are still left with charges for a flawed service and an expensive, unnecessary and arrogant bureaucracy. We have the absurd situation whereby €500 million is to be spent on installing meters which no longer have a purpose. I ask the Government to stop using the fig leaf it introduced today. This is a scandalous waste of money. I challenge the Taoiseach to ask the Comptroller and Auditor General to report on the establishment costs of Irish Water and investigate the awarding of contracts and the whole idea of installing water meters without carrying out due diligence in advance. This is a very serious issue, given that €500 million will not be used. Do not bluff us with the €60 charge or the claim that someone will save something under that amount.

**Deputy Paudie Coffey:** It will be used.

**Deputy Micheál Martin:** It is a very serious issue.

**Deputy Paudie Coffey:** Fianna Fáil spent over €100 million on PPARS.

**Deputy Micheál Martin:** No amount of camouflage will take away from the reality that €500 million is being spent on contracts that we cannot escape. There is no transparency around this, because commercial sensitivity is being used as a cover. If the Government is serious about transparency, can we see the amount for which it is on the hook in regard to water meter contracts? The charge is capped until 2019.

**Deputy Joan Burton:** What about your €64 billion?

**Deputy Micheál Martin:** That is no answer to this issue.

**Deputy Dara Calleary:** Change the script.

**Acting Chairman (Deputy Bernard J. Durkan):** Speak through the Chair.

**Deputy Micheál Martin:** It is no answer to the fundamental point I am making about €500 million. We are also paying for the construction of a billing infrastructure which is not needed. We have a regulator that will not be regulating. What was the role of the regulator in all of this over the last month? The regulator was not even mentioned in the newest iteration. The

charge on which the Government continues to obstinately insist will bring in a paltry amount at the maximum possible cost. It will spend a fortune to bring in negligible revenue. At less than 0.3% of the general Government budget deficit, it shows an almost perverse insistence on maintaining a policy which not only has no public legitimacy but will also continue to cause serious damage. The net effect of the latest Government policy will be the diversion of scarce resources from vital public services in order to fund Irish Water's work.

The only credible policy is to call a halt to Irish Water and scrap the charges in order to stop the damage now, rather than wait for the inevitable final climb-down next year. Today was supposed to be about drawing a line under the issue; all it has done is keep it going. From the very beginning the Government has tried to claim there was no alternative to this policy. It said it was the only way to get essential funding and to improve services. That was false when the policy was announced and it has been proven false to the extent that even the former Fine Gael Minister of State with responsibility for this policy has described it as an unmitigated disaster. Has any member of the Government met Deputy O'Dowd to discuss this? Did the current Minister, Deputy Kelly, meet him? Was he asked to elaborate on why he believes the policy was an unmitigated disaster?

This is no accidental shambles. It is not an unexpected policy error. The establishment of Irish Water and everything it has done was set out by Fine Gael before the general election. It is one of the longest established and most detailed parts of Fine Gael policy and it was incorporated in full in the programme for Government in spite of the Labour Party's pre-election promise to veto it. The Tánaiste neglected to mention the Tesco advertisement or the clear promise that her party would stop Fine Gael from doing this. That promise evaporated within a day of the election. There was nothing in the troika agreement that obliged the Government to proceed as it has done, and in any case it is now over a year since the Government began its three-month celebration of the conclusion of that agreement.

The scale and intensity of public resistance to Irish Water and these charges has been clear since Deputy Barry Cowen began forcing the former Minister for the Environment, Community and Local Government and Irish Water to answer specific questions about their work. What was supposed to be a low-cost, highly effective entity was exposed as a highly wasteful and ineffective bureaucracy offering indecent bonuses and focused primarily on creating an infrastructure for charging people for water rather than delivering clean and reliable water supplies. The particular intensity of the reaction is not solely because of the charges or the waste at Irish Water; it is because of the cumulative impact of Government policy. As every independent study has confirmed, the only decisive shift in policy when Fine Gael and the Labour Party came to office was that their budgets were significantly more unfair and regressive. From day one their policy has been to place a larger burden on those on middle and lower incomes. The one consistent part of their policy has been to ignore the ability of people to pay when introducing or extending taxes and charges. This was combined with non-stop spin about how, contrary to the evidence, people should thank them for being fair and visionary. That is why the water charges became the last straw. An unfair and wasteful policy was constantly sold as progressive and visionary. Of course people were going to be alienated and they were not going to stand for it. The protest of people was seen in their votes in the local elections and has been unmistakable since then.

Even though some candidates and parties have tried to exploit the issue, there is a genuine, widespread and entirely legitimate public opposition to this policy. The aggressive behaviour seen on some protests in the past week does not reflect the broad mass of the public. There are some who cynically want to be in democratic assemblies while at the same time pretending to

be outside them. Members elected to this House do not need a bullhorn to be heard. However, the behaviour of the Minister, Deputy Kelly, undermines the legitimacy of this Parliament and, unfortunately, the legitimacy of the point I am making. If the Minister and the Government treat the House with contempt, they give fuel to the argument that people are better off protesting outside. I hope the Taoiseach and the Tánaiste will take that on board. There is nothing peaceful about trapping someone in her car for two hours. There is nothing democratic or legitimate about harassing public officials as they carry out their public duties. In this country there are more than enough opportunities for people to have their voices heard without resorting to aggression. Nobody who participated in any of the actions which have rightly been deplored can say there was no alternative. If certain political parties were genuinely sincere about supporting the public's outrage on this issue rather than trying to exploit it for their own ends, they would allow local voices and people who are members of no party to be heard more, rather than looking for opportunities to promote their own candidates.

At the core of this shambles of a policy is Fine Gael's NewERA policy, which was first launched in 2009. This policy introduced the idea of placing services into commercial holding companies and funding investment through a combination of charges and the sale of State assets. As we have seen in relation to gas supplies and our forests, a creeping privatisation agenda has been implemented from the Government's first days in office. There has been no recognition that, for a small and peripheral country such as Ireland, the impact of commercial monopolies in public services could prove disastrous in terms of both costs and services. There has been a refusal to commit to the long-term future of maintaining State assets. As it stands, there is no investment case for Irish Water. There is no water quality case for Irish Water. There is no fairness case for Irish Water. All we have is a wasteful and damaging quango which should be abolished before it does more damage and wastes more public funds.

It is obvious that there has been a consistent policy of giving Bord Gáis preferential treatment in this matter. The only independent review of policy the Government allowed, which was carried out by PricewaterhouseCoopers, explicitly recommended against attaching Irish Water to Bord Gáis. The review found that such an approach would be wasteful and inefficient and set out 17 disadvantages of proceeding as planned. The Government chose to proceed anyway. We also know that the Government worked to withhold for as long as possible details of the costs associated with Irish Water and excluded other potential operators without detailed consideration. Why was the Fine Gael Party, in particular, so eager to put Irish Water under the control of Bord Gáis? Why did it move so quickly to do so and why has it spent so much time defending its decisions? The Irish people are owed an explanation of where the ideas for the NewERA approach came from and what discussions were held by Fine Gael with Bord Gáis before and after the general election. With whom did the former Minister, Phil Hogan, consult before drawing up this particular proposal? I would like answers to those questions. Our system of water supply needs investment; nobody is questioning that. However, it is absolutely untrue to say there was no investment in the past and that there can, moreover, be no investment without first establishing Irish Water and introducing charges. As Deputy Barry Cowen pointed out, more than €5 billion was invested in water services between 2000 and 2010, bringing substantial improvements in our water supply system and to wastewater treatment plants across the country. That should be acknowledged. Reference was made to the 1,000 jobs being created by Bristol-Myers Squibb. That company would not establish a pharmaceutical plant here if it did not have confidence in our public water utility system. The same is true of the various pharmaceutical plants that set up here in the past decade. I know this because I was Minister for Enterprise, Trade and Employment for some of that period. The reliability of water services

never featured as a negative for any company looking to set up here. Let us have balance and perspective in this debate instead of the Government's attempts to over-egg the pudding and rescue itself from the mess it has created.

From day one we have pointed out that a policy of "Fix it first" was the only way to proceed. This is truer now than ever. The case for Irish Water falls apart when one considers that most of the planned improvement work for the water network is to be undertaken by the existing structures. Under the current plans, it is the water services staff of local authorities who will deliver the improved service that has been promised. Irish Water's principal activity is the construction of a method for metering and billing, and its only significant contracts and investments relate to that function. Irish Water in itself will do nothing at all to improve water quality and supply. The proposals in regard to the situation in Roscommon are another fig leaf, as measures were already in train before Irish Water was even established. In fact, Irish Water will divert significant public funding from other services.

There was a time when the Government intended to raise €300 million per year in charges and take €500 million to €600 million off the general Government balance and general Government debt. It was argued that this would free up money for other services, but that is no longer the case. While the formal decision on how the debts of Irish Water are treated will be made by EUROSTAT next March, today's announcement raises questions as to whether the accounting exercise trick being deployed will actually work. EUROSTAT needs to cop on and the Government needs to cop on, because they are fooling nobody with this type of stuff. What we are talking about here is the Irish people's debt. It is a bit like what happened when research and development was magically reclassified by EUROSTAT and, lo and behold, the deficit was reduced by €2 billion, just like that. That type of thing undermines confidence in official statistics, and the type of accountancy trick we are seeing here is in the same genre. If we want people to have faith and confidence in European institutions and how we do our business, we must sort this out. Nobody is fooled by the reality behind these figures. If the investment remains and the charge remains capped, the shortfall will have to come from somewhere. It will have to come from Government funding and, therefore, it will be accounted for in the normal public finances. That means money coming from other services. A backfiring accountancy trick is nothing new from a Government that refuses to do even basic long-term planning.

One of the most appalling aspects of this shambles is that huge public funding will continue to flow into the programme of water meter installations even though there is no need for those meters. Contracts for €500 million have been signed. Given the scale of investment needs in our economy, is it not close to obscene that the installation of meters will eat up funding that should be going into improving vital services? Nobody on the Government side has addressed that question in any shape or form. The Minister, Deputy Alan Kelly, spoke about legacy. It may well be that the legacy emanating from today's announcements will be €500 million wasted and no measurable benefit whatsoever for anybody. Today's package has been put together in a panic and will not last. It leaves in place charges for a failing service and entrenches the position of Irish Water. Instead of putting in place the most complex system of charging for water ever invented for the sake of a paltry amount which will be collected at great cost, the proposals should be scrapped and the Government should go back to the drawing board. Irish Water should be scrapped immediately. It has no substantive role to play and is fatally defined by the arrogance and hubris of those who established it. We do not need a company like this. It is not required to improve services and increase efficiencies. Its primary purpose was always to make it fit for privatisation. Fine Gael and the Labour Party were wrong to establish it and

Sinn Féin was wrong last September when it called for it to be retained. Given the latter party's obsession with what Deputy Gerry Adams calls "electoralism", it is no surprise to see that its policy has changed, just as Deputy Adams changed his own position in regard to whether and where he would pay the charge. As my party has pointed out, the alternative is to establish a different type of public utility. We have had successes in this regard, such as with the National Roads Authority. That type of utility format accommodates greater regional co-ordination and investment and helps to avoid the commercial mentality that has given us the bloated bonus culture and the focus on billing that we have seen at Irish Water. This Government refused to listen to the Opposition on 19 December last year when the Water Services Bill was rammed through the House in less than four hours. The Government refused any amendments and even refused to listen to the concerns and worries of its own backbenchers. It is now reaping the rewards of that bull-headedness and arrogance. We have seen a massive climb-down by the Government today, within 11 months of its Bill being voted through the Dáil by those same backbenchers. What is proposed is a masterpiece in failure. The pause button should be pressed before any more taxpayers' money is wasted. The Government has yet to explain what incentives will be available to encourage people to conserve water or how much they will invest in infrastructure. We have had no detail on any of this for more than 12 months. All we have had is the Taoiseach bandying about figures of €10 billion and €20 billion.

**The Taoiseach:** I gave the figures that came from the regulator.

**Deputy Micheál Martin:** Ministers prefer to pick tens of billions out of the sky without giving any specific information about what is needed or what will be spent. The Government has to wait until next March before being told whether it can borrow off-balance-sheet, which we are still being told is the main reason for setting up Irish Water in the first place. At the same time, we continue to pay back interest of €20 million on the €500 million borrowed to install the meters that are not now required. It is not just the sum borrowed that we have to consider but also the interest payable and so forth.

**Deputy Joan Burton:** "And so forth". That says it all about the Deputy's attitude to a key investment.

**Deputy Dara Calleary:** The Tánaiste is one to talk about attitude.

**Deputy Micheál Martin:** The former Minister of State, Deputy Fergus O'Dowd, was right in his assessment of the situation. Does the Tánaiste wish to interrupt me and comment on that?

**Acting Chairman (Deputy Bernard J. Durkan):** I ask Deputy Martin to conclude as his time is up.

**Deputy Micheál Martin:** Deputy O'Dowd described the setting up of Irish Water as an "unmitigated disaster". Unless the Government stops all of this now, we will have more of the same into the future.

**Deputy Gerry Adams:** Ná déanfaimis dearmad gur tharla an méid seo inniu mar gheall ar na mílte daoine a léirigh a dtoil go soiléir ar na sráideanna agus i measc an phobail. Today has come about through the will of the people. Their demand has been very clear; namely, that this additional water charge be scrapped. Today is not about the Government having a road-to-Damascus conversion. It is not about the Government being part of a genuine democratic revolution.

*7 o'clock*

It is not about the Government trying to provide relief from the water tax for hard-pressed households. Today's proposals are about giving the Government a lifeline, not relieving the pressure on those who cannot pay water charges. During the past weeks, the Government has built up today's announcement. It engaged in a PR offensive in a desperate attempt to cling to seats in the next election. This is a tactical U-turn by a Government which has made U-turning part of its *modus operandi*. Although citizens can take strength from the fact that we have turned the Government, we know it still has some distance to go.

Even today, despite all the Government's preparatory work and two Cabinet meetings, it has made a mess of the debate. For months the Taoiseach and Tánaiste have refused to answer straightforward questions, and they rationalised this by saying there would be a full debate. However, again, the Government's arrogance kicked in. The Taoiseach and Tánaiste left, as did the Minister for the Environment, Community and Local Government, Deputy Kelly, after he had made his speech and before the Opposition had the opportunity to respond. It took the withdrawal of the Opposition to get the Minister to return and participate in the debate. After all the hype, it is clear from the Government's announcement today that it has not scrapped water charges. The water metering programme will continue, metered charges will come in, and there is still no constitutional right to water. Households that fail to register with Irish Water will receive a default bill of €260 per annum per dwelling. Such households will not be entitled to the €100 water conservation grant.

The water conservation grant is vintage stroke politics: dodgy accountancy allied to the politics of carrot-and-stick, comprising a bill on the one hand and a rebate on the other. What kind of economics is it? It will not be operational until some time after September 2015. Legislation will be introduced allowing landlords to deduct water charges from their tenants' deposits. There will be a statutory charge on a dwelling in respect of unpaid water charges. There will be penalties for those who do not pay after a year. A single-adult household will face a €30 penalty and other households €60. Although the Taoiseach said the capped charge would be in place until 2018, he knows that once water charges are in place, they will only increase. This has been the history of all these charges. Sorry, Tánaiste-----

**An Leas-Cheann Comhairle:** Sorry, Deputy Adams; I was looking at my notes.

**Deputy Gerry Adams:** Dúirt an Tánaiste go raibh sí ag éisteacht. Ba chóir don Tánaiste agus don Taoiseach a bheith ina dtost, lena dtoil.

**Deputy Joan Burton:** Táimid ag éisteacht.

**Deputy Gerry Adams:** Níl sibh ag éisteacht.

**The Taoiseach:** Agus táimid ag fanacht le féachaint an bhfuil moladh ag an Teachta.

**Deputy Gerry Adams:** Tá a fhios agam nach raibh sibh ag éisteacht, agus sin í an fhadhb leis an Rialtas. Tá siad ag caint, ach níl siad ag éisteacht ar chor ar bith.

**Deputy Joan Burton:** Bhíomar ag caint mar gheall ar na rudaí atá á rá ag an Teachta.

**Deputy Gerry Adams:** The Government had the opportunity to get rid of water charges. Sinn Féin has shown how it can be done and paid for. The Government has refused to get rid of water charges, and this is why we need the maximum possible turnout and protest against water

charges on 10 December: to deliver the message once and for all that water charges must be scrapped. Today's exercise is an attempt to quell the unprecedented levels of protest the Government has faced. It shows that people power, peaceful demonstration and mass mobilisation are working. It also shows that the Right2Water protest campaign must continue.

Although the Government said it has been listening to the people who are opposed to water charges, had it really been listening, it would know that people were not asking for a package to sweeten the deal, but for the charges to be scrapped. *Dúirt an tAire, an Teachta Kelly, nár thuig an pobal i gceart. Sin bolscaireacht. Dúirt sé nár thuig an pobal córas na dtáillí i gceart agus go raibh an pobal mar amadán. Sin agaibh é.* This patronising drivel, which is repeated in the legislation, shows the Government's attitude to citizens. The Government claims the public does not understand the charging regime. How stupid are the people? The people understand the charging regime; it is the Government that does not understand the people. From the outset, the Government's establishment of Irish Water and efforts to impose domestic water charges have been a fiasco.

This was a Fianna Fáil idea, agreed between that party and the troika. I listened very intently to the Tánaiste's earlier remarks defending, promoting and arguing for the water charges. She neglected to explain how, during the 2011 general election campaign, the introduction of water charges was one of Fine Gael's six key policy areas that the Labour Party said it would not allow to be brought in. It featured prominently in the party's famous Tesco-style advertisement with the slogan, "Every little hurts!" Could the Tánaiste not have taken a moment or two to explain her U-turn on the issue? Deputy Martin was correct in stating that the new Government, led by the current Taoiseach, did not have to implement the deal done by Fianna Fáil and the troika. However, not only did the Government implement the deal, it rushed it through the Dáil and ignored Opposition amendments. Deputy Stanley proposed dozens of amendments, of which the Government did not accept even one. That is arrogance. Just before Christmas, the Government caused an unprecedented walk-out by all the Opposition Deputies, and this was repeated today.

**Deputy Simon Harris:** The Deputy's party caused a sit-in.

**Deputy Gerry Adams:** All the Fine Gael and Labour Party Deputies voted for the legislation the Government has introduced and which it has hollowed out. Will they march through the lobbies again later today voting for exactly the same thing? All the fine, self-congratulatory praise the Government heaped upon itself was echoed in the debate just before Christmas. The whole Irish Water saga has been marked by a series of debacles. It took the appearance of the CEO of Irish Water, John Tierney, on a radio show - I think it was "Today with Sean O'Rourke" - to acknowledge that €50 million of the establishment costs of Irish Water had gone into the pockets of consultants. That information was never divulged here. So much for political reform, transparency and accountability. Later, it emerged that the real figure was €86 million. The entire fiasco has been a waste of public money, taxpayers' money, Paddy's money, the money belonging to the people.

**The Taoiseach:** Let us hear the Deputy's solution.

**Deputy Gerry Adams:** Mr. Tierney subsequently revealed to the Committee of Public Accounts that Irish Water staff had received bonuses of up to 10% of their salaries. Last weekend, it was revealed that some staff would qualify for bonuses of up to 19% of their salaries. The former Minister for the Environment, Community and Local Government, Phil Hogan, is safely

in Europe. It is clear that he was aware of all this while he was Minister, although he has denied it. Although I and others said in the House that many citizens were deeply disturbed when Irish Water demanded their PPS numbers, the Government would not listen. It knocked back any suggestion from us or any concern that we raised. Last month, it was reported that Irish Water had sent 6,239 letters bearing incorrect names to customers. Ironically, the letters asked customers to confirm their personal details, but these had gone to the wrong addresses, in a very serious breach of data protection provisions. Yesterday, another breach of data protection provisions emerged. The Office of the Data Protection Commissioner has confirmed ten cases in which the bank details of Irish Water customers were sent to their landlords by mistake. Again, the Government would not listen. The Taoiseach should not expect the citizens out there to thank him for climbing down on this PPS issue.

**The Taoiseach:** It is a proposal.

**Deputy Gerry Adams:** I use the term “citizen” very consciously. I listen to the Labour Party and others talk about customers, clients and jobseekers. These are people who have citizenship. This is supposed to be a republic, and citizens should have rights as a birthright.

**Deputy Joan Burton:** People.

**Deputy Gerry Adams:** Irish Water is the Government’s Frankenstein creation. It is characterised by excessive spending on consultants, bonuses and cronyism, as well as the manner in which it was established and its management to date. It has been an unmitigated disaster.

The Taoiseach says that the Opposition has no alternative to the vision of Irish Water. The Taoiseach should sack his speechwriter. If this is his vision, then God help us all. Even Government Deputies have woken up to this reality. The former Minister of State, Deputy Fergus O’Dowd, who introduced water charges legislation, valiantly defended the Taoiseach’s party and Government every time he was asked. He was shafted, however, and then went on to acknowledge that Irish Water had abjectly failed. He described it as arrogant, uncaring, a cosseted quango with a bonus culture, and an unmitigated disaster.

**The Taoiseach:** Sinn Féin’s problem.

**Deputy Gerry Adams:** Deputy Eoghan Murphy has accused the Government of having manipulated and abused the Dáil in the way it rammed through legislation establishing Irish Water. He also says that the credibility of Irish Water lies in tatters.

Mired in scandal since its inception, Irish Water is now a toxic brand. Any proposal to leave this company with responsibility for the delivery of water services in this State is not credible. It should be abolished. Irish Water has become synonymous with everything that is wrong with this Fine Gael-Labour Party Government: cronyism, political manipulation of State boards which would make even Fianna Fáil blush, threats to citizens, and escalating taxes on struggling families.

The Taoiseach can no longer hide behind the troika for their decisions. He can no longer blame the big lads. He cannot say the big boys made him do it. Waving a blank piece of paper at me in an infantile way proves nothing. The Taoiseach’s Government deals in an entirely compliant way with the elites in this society and in the European Union, and particularly in the banking fraternity. He treats ordinary citizens and the Oireachtas with contempt.

Quite a few times I have tried to figure out the almost benign arrogance that comes from exercising power. The Taoiseach does not need to consult us, so he does not do so. The sensible thing would have been to come in here, have the discussion and pick up some of the good ideas from some of the other TDs, incorporate them and then do whatever he wished to do. Instead, however, he came in with a *fait accompli*, using the guillotine and pushing his majority with incredible arrogance.

I listened to what the Taoiseach said earlier about cherishing the children of the nation equally, but he has attacked the welfare of vulnerable citizens. In addition, he cut back on the entitlements, protections and guarantees that hard-working families and the elderly in rural Ireland should have. Their public services were cut back while punitive taxes are imposed. The Taoiseach does not even recognise that citizens have rights, and he has cut child benefit, medical cards and the respite care grant. I could give a list as long as my arm of the punitive measures he has introduced.

**The Taoiseach:** Do not forget the €2.5 billion rural development programme.

**Deputy Gerry Adams:** The Taoiseach needs to understand that citizens are sick to the teeth of relentless austerity and being patronised, as well as the endless list of taxes and charges aimed at those on low and middle incomes. For many of them, the water tax is the final straw. That is why we have seen huge numbers of citizens on the streets protesting within communities. To be honest, the numbers on the streets surprised us all. As someone who has been involved in street protests right back to the civil rights days, I can say that the current protests were spontaneous and organic. That is what is dangerous because the people have eventually risen up. They have not been organised in a rent-a-mob fashion; they have been out there because that was the straw that broke their backs.

The Taoiseach claims he does not envisage the privatisation of water services. If that is true, why does he not support the Thirty-fourth Amendment of the Constitution (No. 3) Bill 2014, which Sinn Féin has brought forward? It seeks to ensure the rights of all persons to safe, sufficient and accessible water, and that all water services and infrastructure remain in public ownership. Why does the Taoiseach not support it? He knows that any move to privatise water would ensure even greater charges for consumers than those already suggested.

In the North - the Taoiseach often mentions the North, usually in a disparaging way to try to score some strange political point - we prevented the introduction of water charges. We stood up to the Tory Government in London and prevented the privatisation of water services. We will continue to do so.

The constitutional amendment Bill put forward by Teachta Stanley allows for a referendum to retain control of water services in public ownership. Is the Taoiseach afraid of the people? Does he not want to give the people a say? Will he not trust them to take a good decision on this issue? He will not. There has been no satisfactory explanation of his reluctance to hold a referendum on water ownership beyond the fact that Fine Gael are the political champions of privatisation. It is Fine Gael's writ that runs this coalition. Fine Gael runs this Government and Labour is there as an appendage.

The reason for all the Taoiseach's twisting and turning, all the contradictory statements, and all the leaking, spinning and kite-flying about all the figures that were put forward, is now very clear. The Taoiseach completely underestimated the determination of ordinary citizens to resist

the imposition of water charges. He has been forced to turn, back off, hollow out and back down again and again on his plans. He has dismissed and patronised people, which is offensive. He talks down to citizens and dismisses their real concerns.

They have clearly said that water charges should be abolished and that the right to water should be guaranteed. The mass demonstrations have not been about demanding a lower amount than the Taoiseach intends to charge. The people have not asked him to give them sweeteners or offer them bribes. The response from the Taoiseach and Tánaiste has been absolutely mind-boggling.

Gabh mo leithscéal, tá an t-urlár agam.

**The Taoiseach:** Níor chuala mé rud ar bith ábhartha ón Teachta go fóill.

**An Leas-Cheann Comhairle:** Níl ach leath nóiméid fágtha ag an Teachta.

**Deputy Gerry Adams:** The Taoiseach ignores the fact that many families cannot afford to pay. They are taking to the streets and are telling the Taoiseach that he cannot force them into this. The Right2Water campaign is a fantastic example of a grassroots people's movement. There is no place in this for the type of treatment meted out to the Tánaiste. There is no place in this for physical or violent approaches. Anybody who is not prepared to behave peacefully should not turn up at any demonstration.

It is no surprise that the Government inflates these incidents to deflect attention from the central issue. The demonstrations that I have been on in my own County Louth, including Drogheda and Ardee, have been family-friendly, good-humoured and peaceful.

The RTE report said that the Sinn Féin stewards tried to get the demonstrators off the road, as had been committed to before the demonstration. That is what happened in Sligo, as the Taoiseach knows.

Having said that, I appeal for the biggest possible mobilisation on 10 December to demonstrate the continued widespread opposition to water charges and the Government's position on it. Perhaps the Government Members will join the people that day, and then they will not be able to say that they cannot hear what the people are saying.

**Deputy Joe Higgins:** I propose to share time with Deputies Mick Wallace and Joan Collins.

The people of Ireland are not fools, and they recognise political trickery when they see it. Today, in the supposed concessions on water charges, they will recognise a transparent manoeuvre to get Fine Gael and the Labour Party past the next general election without being politically annihilated. It simply will not work. People have not turned out in their hundreds of thousands in October and November on the streets of Ireland demanding the abolition of water charges only to be conned by this poisoned carrot. People have not been turning out in their hundreds to public meetings, street meetings and events such as protests against water meters only to be assuaged by transparent political trickery. People are no fools, and they understand that the capped charge will rocket when it suits any establishment Government of the future. They understand the agenda. The aim of water charges is to partly fill the black hole left by the transfer of billions of euro in taxpayers' funds to the bankers and bondholders of Europe to save the European financial market system on foot of the crisis for which our people have no responsibility.

To do so, the Government proposes to gouge €1.2 billion from the pockets of ordinary people in parallel with the central taxation they pay directly, from which water services have been maintained and delivered for generations in this country. They understand the poisoned carrot, the charges with so-called concessions, will quickly go to €500 and €1,000 per household once the pressure passes. Therefore, the campaign for the abolition of water charges continues. What incredible contortions the Government is executing to establish the principle of a bankers' and bondholders' water tax. In April, July and October next year, the Government will look for €40 or €65 from households. In September, it will send €100 back to the same households. Imagine the incredible bureaucracy and wasted labour required to execute this idiotic circular maze. Truly, this is an Alice in Wonderland, or Alice in Joan-and-Enda land, scenario. Alice in Blunderland might be more apt. Hundreds of the workers tied up in knots doing this would be better off sourcing homes for the people made homeless by rack-renting landlords and the failure of the Government to provide any social housing.

The majority of ordinary people want to fight this and, if they have already registered, in April they will be sent a bill for €40 or €65. They have nothing to lose and everything to gain, in order to bring about the end of this water charge, by engaging in a nationwide boycott, just as, in the 1990s, a mass boycott and political pressure forced the abolition by Fine Gael and the Labour Party of the hated water charges at that stage. A mass refusal to pay the water bill in April of next year will leave the Government utterly exposed as one with no democratic credibility, suspended in midair, and will leave the water charges regime in tatters and impossible to implement.

In a press conference, the Minister said that if people were taken to court by Irish Water it would affect their credit rating. False. The Irish Credit Bureau, which is the agency of the banks, said only a few days ago that unpaid water charges would have no bearing on people's credit rating. I hope the Minister will correct that.

**Deputy Alan Kelly:** I did not say that. I said that it could affect it.

**Deputy Joe Higgins:** To add to the rack-renting torture that so many people are subjected to as private tenants, the Government will appoint landlords to rob tenants' deposits. This is breathtaking. One of the most vulnerable groups in our society, those depending on private landlords, are to be subject to further robbery, with the landlord as the agent. This is some legacy for a Labour Party Minister to leave. The legislation will be bitterly opposed and I appeal to tenants not to be intimidated. They should join the anti-water-charges campaign, and ordinary homeowners will boycott the charge and fight to bring it down.

The water charges saga has been characterised by the most incredible mendacity and deceit by Fine Gael and the Labour Party. Conservation was the catch-cry. The Taoiseach passionately said we should turn off the taps a few weeks ago. The Tánaiste passionately said to use less a few weeks ago. Conservation has now disappeared and is nowhere to be seen. It has been dropped without ceremony. For 20 years, we put forward serious conservation proposals and water-saving measures that were never taken up. In Denmark, water conservation measures such as retrofitting of homes have lessened the usage of water.

The Tánaiste has had the audacity to continue the media smear of decent residents in communities such as west Tallaght that have been hit by years of austerity. Among the ordinary women who organised the water charges protest when she visited were women who administer the food bank from the same building she visited. Is it any wonder people are angry? Any

people's movement from 1913 on has been met by the usual pathetic smears of sinister forces and fringe elements.

**Deputy Alan Kelly:** What about the Tánaiste's movement? What about restricting her movement and falsely imprisoning two women in a car? That is movement.

**Deputy Joe Higgins:** The Government and the media portray this as leading the stupid mob by the nose. James Connolly answered that much more eloquently than I ever could.

**Deputy Alan Kelly:** He did.

**Deputy Joe Higgins:** What undermines democracy in the country is establishment political parties lying through their teeth to ordinary people at election time. The Tánaiste had a Tesco advertisement in one hand, promising no Fine Gael water charges, and in the other hand an application form to join a Fine Gael Government with water charges. Is it any wonder the Labour Party was eviscerated in Dublin West and Dublin South-West in the recent by-elections when they deceived an entire people in this callous fashion?

The campaign for the abolition of this bankers' and bondholders' water tax will continue without let-up. If it is still there, it will be a massive issue at the next general election and the Government will continue to push it at its peril. The Labour Party, in particular, will be lucky if it does not evaporate and disappear if it continues this breach of the interests of ordinary working-class people.

**Deputy Mick Wallace:** A few minutes ago, the Tánaiste said that big new projects would always experience problems. This is true, but Irish Water is probably one of the big projects that should not have started. When the Minister for Public Expenditure and Reform, Deputy Brendan Howlin, said we would look back and be proud of it one of these days, I wondered what land he was living in. The Tánaiste also expressed surprise, shock and outrage at the amount of sewage going into our seas and the rivers. It is shocking. How come the Government did so little for four years if it knew this was happening? The Tánaiste referred to 42 towns, which is an underestimate. In Wexford, Arthurstown, Kilmore Quay, Duncormick, Curracloe, Oylegate, Ferns, Camolin, Duncannon, Wellingtonbridge, Clonroche, Ballycanew, Campile and Ballyhack, 13 towns, are on the list for work on waste treatment plants. Irish Water came along and the work was postponed. The council was not allowed to do the work. What has Irish Water done? It has taken six from the list. Kilmore Quay, Duncormick, Curracloe, Oylegate, Ferns and Camolin have come off the list. Of the remaining list of seven facilities, none has been started and we do not know when they are going to start. I do not understand how the Government can stand over the failure to act on the sewage treatment problems facing Ireland.

I understand money is difficult to get and the Europeans have refused to provide us with a write-down on the bank debt, which should have been forthcoming. An organisation was prepared to give us €64 billion to bail out useless banks but it would not provide money to deal with water treatment issues. The Government has boasted about being able to borrow at less than 2%, which is great, but we should be allowed to borrow money at that price in order to invest in water and the treatment of wastewater. If that is on the books, it would force the Government into breaking other EU rules. These are people who are supposed to help us rather than cripple us. Italy and France have just admitted they will not meet the rules this year, next year or in the following two years. They will get away with breaking those rules; they do what they like and we do as we are told. We should be borrowing money at less than 2% in order to

tackle the problems in water and sewerage infrastructure.

The Taoiseach mentioned Ringsend and boasted that Irish Water will save €170 million. It will do so by scrapping the long sea outfall. Up to now, scrapping this was not allowed because extra discharge would cause problems for communities. I would like to hear what local communities will have to say about the potential extra risk along that coastline arising from abandoning the long sea outfall in order to save money for Irish Water.

The Minister, Deputy Kelly, today indicated that the installation of water meters should go ahead because without water meters, we cannot tell where are the leaks. I have worked on the streets of this city for 20 years and I can tell the Minister such a statement is untrue.

**Deputy Alan Kelly:** The issue is all around the country.

**Deputy Mick Wallace:** The majority of the wastewater problem is in Dublin.

**Deputy Alan Kelly:** What about Cork?

**Deputy Mick Wallace:** Dublin has a far worse problem.

**Deputy Alan Kelly:** It has a major problem.

**Deputy Mick Wallace:** In Dublin we would not be looking for individual leaks. The cast-iron pipes have been corroded and the four-inch pipes have a bore of two inches left, as the rest consists of corrosion. We would not be fixing leaks here and there but rather replacing pipes. It is not a matter of looking for leaks and one does not need a meter to know where are the pipes I have mentioned. These pipes were leaking ten years ago and it is worse now.

**The Taoiseach:** They were leaking 40 years ago.

**Deputy Alan Kelly:** They were leaking 100 years ago.

**Deputy Mick Wallace:** We know where they are but like its predecessor, this Government has done nothing about fixing those pipes. It is madness.

**Deputy Alan Kelly:** My speech referred to hundreds of kilometres of pipes needing to be upgraded.

**Deputy Mick Wallace:** We have been contacted by concerned superintendents who have argued that the manner in which gardaí have been sent in many cases to police protests is unfair. These gardaí could not get overtime for the past number of years in order to look after normal work but when the water charges came along, any amount of people can be allowed to work in order to police these protests. These gardaí are unhappy because this does nothing for their relationship with the community. This is tied to the politicisation of our Garda Síochána.

**Deputy Alan Kelly:** That is a new statement. The Deputy will have to stand over that.

**Deputy Mick Wallace:** I mentioned yesterday that the selection of the new chairperson for the policing authority is not an independent selection, and the manner in which the selection process took place leaves much to be desired. If we are not going to get an independent police authority, we would be better without a police authority. The Government is about to choose a new Garda Commissioner.

**An Leas-Cheann Comhairle:** The Deputy is approaching a different issue altogether.

**Deputy Mick Wallace:** Given the latest Garda Inspectorate report, if the Government picks somebody from the existing hierarchy and continues its politicisation of the Garda Síochána in Ireland, nothing will change in how policing is done.

**Deputy Simon Harris:** That is an unfair comment.

**Deputy Alan Kelly:** That is unfair to the individual concerned.

**Deputy Mick Wallace:** The former Garda Commissioner might be gone, as well as the former Minister, Deputy Shatter, but nothing else will have changed. The Government is not demonstrating any appetite for real reform of the Garda Síochána.

**Deputy Alan Kelly:** The Deputy may be familiar with the former head of the Revenue Commissioners.

**Deputy Simon Harris:** The Deputy is making an accusation of bias.

**Deputy Joan Collins:** It seems there is no end to this fiasco involving Irish Water, water charges and the Government's handling of this issue. In the first line of his speech, the Minister stated this is a significant moment for the country. I presume he was referring to this so-called debate before he gave those on the Opposition benches two fingers by walking out of the Chamber.

**Deputy Alan Kelly:** At least I informed the House first.

**Deputy Joan Collins:** Such arrogance and lack of respect has been a key factor-----

**Deputy Derek Keating:** That is out of order.

**Deputy Seamus Healy:** It is not. It was a display of pure arrogance.

**An Leas-Cheann Comhairle:** Deputy Joan Collins has the floor. There should be no more interruptions.

**Deputy Joan Collins:** It is at the core of the mood of people.

**Deputy Alan Kelly:** At least I informed the House, which is more than others have done.

**Deputy Seamus Healy:** It was a display of arrogance and hypocrisy.

**Deputy Joan Collins:** This arrogance and a lack of respect for people has been the key factor in the shambles which the Government has created. This sorry mess contrasts sharply with the magnificent people power movement by ordinary citizens of this State over recent months. The uplifting experiences of hundreds of thousands of people on 11 October and 1 November came as for the first time people had the confidence to come out on the streets and say they were not paying this austerity tax. The Government has been forced into a humiliating U-turn with every issue relating to charges in Irish Water but that is not enough. On 10 December, the Government will see another protest and there will be a mass movement of non-payment next year. The people want a 180° turn on the issue, with the scrapping of charges and a new strategy and investment plan that can deliver water charges that are fit for purpose for an essential public service paid through progressive taxation.

The Minister may have heard that approximately 20 minutes before he gave his speech, one of the afternoon radio shows on RTE gave listeners ten minutes in which to send texts indicating whether they would pay these charges. With the amount of leaks coming from the Government, I do not know why the Minister needed to give a press conference. Within that time, 15,000 people sent texts, with 71% indicating they will not pay this tax and 29% indicating they would pay the tax. That is the level of determination that people are demonstrating in refusing to pay this charge.

**Deputy Alan Kelly:** That was on the Joe Duffy show.

**Deputy Joan Collins:** It is not that we are saying the Government is not listening but rather the people are saying the Government is not listening. That is the difference. We have tried to bring the issue to the Chamber over the past number of months but the Government has not listened.

The Members opposite have witnessed the people's anger and determination to reject water charges and a blueprint for privatisation. This mass movement of citizens has frightened the life out of the Government and it has responded by trying to split the movement. That is what the announced measures are meant to achieve. We first saw a pathetic attempt by the leader of the Labour Party to portray the protests by ordinary citizens against metering in their estates as not being genuine and being organised by outsiders. That was absolutely untrue. Deputy Wallace has referred to the issue and in Clanbrassil Close, a small estate of 24 houses off Clanbrassil Street, Irish Water and GMC Sierra arrived to fit water meters with 21 gardaí. How should that affect the people in that cul-de-sac? This was an act of provocation and after three days the inspector wrote to the Garda Commissioner requesting more gardaí and resolving not to return if they were not assigned. The inspector did not want to put workers and citizens in the area in jeopardy.

The concessions outlined today are aimed at splitting the Opposition. The tactic is to sit it out, get people used to paying, get the general election out of the way and return to the real strategy of full recovery in 2019. This will not work as people trust neither the Government nor the political establishment. The Government must get the message because serious developments are taking place in communities. The establishment has let people down and it has lost people's trust on this matter due to the issues of cost and privatisation. I will seek to maximise the turnout on 10 December and will work to convince people that mass non-registration and non-payment will defeat these charges. Defeating the concept of turning a public service into a commercial entity is the only secure guarantee against future privatisation.

My final point relates to water conservation. In his speech the Minister said he is tired of declaring that leaks will be fixed before metering starts but a pertinent point was made on this by Deputy Wallace. I do not have a water meter and if a leak occurs I will have to fix it - the same applies to many people. The Minister will be aware of a programme in Cork where the local authority installs district meters as a way of monitoring water flow and detecting leaks. Such a programme of district water meters could be implemented nationally at a fraction of the €530 million cost of the Irish Water metering programme.

**Minister for Transport, Tourism and Sport (Deputy Paschal Donohoe):** I listened with interest to what Deputy Collins said and was reminded of her previous speeches on bin charges.

**Deputy Joan Collins:** They were privatised.

**Deputy Seamus Healy:** The Government privatised bin collections.

**Deputy Paschal Donohoe:** The Deputy assured working communities that she would defeat bin charges and told them not to pay. Where did that get her? She made similar claims relating to the household charge and told people not to pay it.

**Deputy Joan Collins:** I do not tell people what to do.

**Deputy Paschal Donohoe:** She said “don’t pay the household charge and we will defeat this tax”. She said the same on the property tax; she implored people not to pay and assured them that through her leadership and their efforts the property tax would be defeated. At the same time she comes before the House decrying changes to services that these taxes are supposed to fund.

**Deputy Joan Collins:** Some €4 million-----

**Deputy Paschal Donohoe:** We should look at the track record of Deputy Joan Collins. She has come before this House repeatedly and assured people she will defeat tax after tax. She tells people not to pay these taxes and then comes before the House and says she opposes changes to services that are funded by the same taxes. This is the Deputy’s track record of honesty and consistency with the communities she represents. Deputy Collins has spoken in the House of the need for debate and the scrutiny of track records but we know her tactics on this issue. The Deputy wants to see people shouted down and does not want to engage in debate. She does not wish to hear views exchanged.

This Government has announced changes to the water charges system today because it listened to the legitimate concerns of people. The Government has acted on these concerns and the future needs of the country. Fianna Fáil Members are absent from the Chamber, as usual, and that party always kicked challenges and problems into the future - this Government has not done this because such behaviour only causes problems and costs to grow until they are unbearable. In the face of all this the Government has not been blown off course by the party that caused the crisis and other forces, such as the Deputies opposite and Sinn Féin, that have sought to worsen this mess. They seek to exacerbate the crisis and the only things uniting the Opposition parties are a sense of denial that the problems I outlined exist and an inability to put forward ways to explain how solutions will be funded.

**Deputy Seamus Healy:** This is complete nonsense.

**Deputy Paschal Donohoe:** The politics espoused by those on the other side of the House put the country in the position in which it found itself in 2011. This Government has responded to the legitimate concerns people raised and put forward a plan to deliver investment. I predict that Deputies Seamus Healy and Joan Collins will be the first to table Topical Issue matters wanting to know when the investment this Government aims to deliver will happen.

**Deputy Alan Kelly:** Absolutely.

**Deputy Paschal Donohoe:** Councillors will table questions in local authority chambers wondering when certain investments will happen but the Deputies are attacking the charges that will fund investment.

The Government has put forward a system that will ask people to make a contribution to pay for delivery of the water system the country needs, a water system that must be fit for purpose.

We will ask people to pay between €60 and €160 per year, net, for services that are required. This will be done in the context of a budget that has given people what they badly need - changes in their after-tax income for the first time in many years and changes in the taxes that caused people such difficulties during this country's time of crisis.

We should look at what the money will be used for. Dublin City Council is responsible for 2,450 km of water mains and between 1997 and 2007, when more money flowed through the country than water flowed through those pipes, Dublin City Council replaced 5 km of mains pipes per year. This is why the system needs serious attention. The rate of work outlined means around 100 km of work would be done every 15 years and this is why an organisation like Irish Water is required. It will pool the country's expertise and it will have the ability to raise its own funds so the work can be done. Work will be done in Galway and Ballymore Eustace. The Ringsend water treatment plant will be improved and when this is completed the savings delivered will equal the start-up cost of Irish Water. This is the kind of work that Deputy Joan Collins will raise in this Chamber. She will ask when it will proceed and how her constituents will benefit. If there is any change to how the work is delivered she will criticise the Government in this Chamber but her stance is against creating the capacity to do the work.

**Deputy Seamus Healy:** No, we are against paying for the same thing twice.

**Deputy Paschal Donohoe:** It is a pity Deputy Paul Murphy is not here so I can respond to his claims. It appears he drove around his constituency on the hunt for a protest he could attend with his microphone. He sought to incite people into doing the things we saw this weekend.

**Deputy Seamus Healy:** That is completely outrageous.

**Deputy Alan Kelly:** What Deputy Paul Murphy did was outrageous. Is Deputy Healy suggesting the false imprisonment of two women is not outrageous?

**Deputy Paschal Donohoe:** Deputy Paul Murphy decided he is the law of the land. Deputy Copping made things worse by condoning all this on the radio. What does the Anti-Austerity Alliance, AAA, stand for? It stands for anger, not answers. It stands for slogans, not solutions. The Deputies opposite have no interest in fixing these problems or responding to the crisis.

**Deputy Simon Harris:** Hear, hear.

**Deputy Paschal Donohoe:** The Deputies want to prolong the crisis so they can continue to conjure up the idea that the problems that have crippled the country for decades can be fixed with no cost and no change. The Government acknowledges it has made mistakes and that there have been difficulties along the way. We want to create a system that gives certainty and delivers water in future. What have we seen from the Opposition? We have seen people who come to the House to promote uncertainty and confusion for their own political ends. What we have seen today from the Government is a plan that responds to the legitimate concerns that people had and that puts together a system to respond to the challenges of the future.

**Deputy Joe O'Reilly:** Today our Government is responding to the people's concerns and continuing to show leadership. Both are equally important. First of all, we are responding by establishing affordability. This will come in the form of a net €60 for a single person dwelling or family and a net €160 for a dwelling of more than one person, in other words, €1.15 per week and €3 per week respectively. That is affordability clearly established.

The allowance of 21,000 litres per adult child will remain where it is relevant and for the future. The price of water has been reduced by 25% to €3.70 per 1,000 litres. Where a person is only using water or sewerage the charge will be halved. All households now have certainty until the end of 2018. Another important aspect is that if a boil water notice is in place there will be a 100% rebate for the duration of that boil water notice. This addresses the legitimate concerns of the many people who were on the protests with sincere and decent motives. Of course, it does not address the concerns of those participating in thuggery around the imprisonment of the Tánaiste last weekend. That type of protester will not be satisfied with today's outcome, but reasonable people will see this as meeting their concerns.

It is worth noting that 815,000 people have registered already, indicating that there is buy-in to the whole concept. All people wanted was for the matter to be sorted out. People wanted the question of affordability sorted out. They wanted the issue of bonuses addressed. That was clearly addressed yesterday by the board and it will be the subject of independent scrutiny. These are significant attempts to meet the concerns of the people.

Another important point is that in the case of a mixed house, that is, a shop and living accommodation, the old arrangement involving the council charge will apply in the commercial section of the house while the new charge will apply in the dwelling end. Again, that addresses the relevant needs. All of the concerns of the people are addressed in these measures.

How are we showing leadership and responding today? We are showing leadership by not ignoring and failing to walk away from the facts, including that 20,000 people are on boil water notices; that there is 100 year old piping in areas of the country and a major issue with bad leaden piping; that sewage is entering lakes and rivers, presenting health and safety issues; and that there remains a need for inward investment and the attraction of inward investment to create jobs, but this cannot materialise if we do not have a reliable and sound water service. For example, during last year's web conference we had 20,000 valued visitors in our city and the water almost went off. This has been much cited but it is relevant. That cannot be allowed again. We cannot have half of the expensively treated water in our system leaking away. It cannot be allowed to continue. These are the issues that need addressing.

All of this begs the question of what has been happening thus far? What has happened to the money? What has happened with taxpayers' money? Up to now the country has been spending €1.2 billion to maintain the system, but we still have a level of leaks up to 49%. We have been investing and I am satisfied with the level of investment in my constituency. However, if we did not set up this semi-State utility we could not access the money off-balance sheet that will be needed in the next ten years to create a state-of-the-art service and water system. This is a necessary exercise. This is what leadership is about rather than walking away from the problems, as cited earlier by the Minister, Deputy Donohoe. We are not walking away; we are showing leadership and facing the matter straight, head-on and we are dealing with it. No other system, nothing else, is acceptable.

It is extraordinary that people on the left can come into the House and suggest that they oppose the concept of paying for water as well as the property tax. Despite this, they say we should broaden the tax net. We cannot broaden the tax net if we do not take on the question of water charges. We are almost the only country in the OECD at this stage that is not doing it. We cannot broaden the tax net if we do not do that or put in place a reasonable property tax. We are broadening the tax net. From the limited economics that I studied I understood this was a left-wing or socialist concept and that it was acceptable to the left for a government to broaden

the tax base and have more people paying. I understood the thinking on the left was that this would create equity and that the government in question would not have an over-dependence on narrow direct income tax. There is a tremendous inconsistency and dishonesty in this regard. There is also a dishonesty in the view that we should have services of a given quality and a given quality of life without facing up to the facts that money simply does not grow on trees and that funding must be secured in the most equitable way possible.

My proposition is that we should accept and endorse the plan brought forward very well, thoughtfully and responsibly to the people by the Minister, Deputy Kelly. We should endorse the plan as one that achieves affordability and reason and that addresses the difficulties people have had. At the same time the plan will ensure that we will have a modern water supply in future, that the health of our people will be secure, that we will be attractive for inward investment and tourism and that we will have a good quality of life and a quality environment. The people who oppose this may look to Scandinavian and northern countries and maintain that those countries have great services, but those countries have high taxation. They cannot have it both ways. This is reasonable and I believe people should be big enough to accept that it is reasonable.

**Deputy Éamon Ó Cuív:** We need to examine the facts in a calm way. I am disappointed that the Minister is leaving, but so be it. I often wonder does anyone listen in this House. I have made comment previously to the effect that it would be almost as well to put the contributions up on the web and not bother coming to the House in order that we could save ourselves a good deal of time. If the Dáil is to function, each side must listen to the other side. In particular, Government must listen and justify the rationale not by rote speeches but by detailed analysis.

My understanding is that the idea of going to a metered water charge was that there were leaks on people's properties and this would discourage people from wasting water. In this way we would save on capital investment and building new systems when the amount of water being produced was already adequate in a given area. I am very much in favour of an integrated joined-up national grid for water and I have said as much in public several times.

*8 o'clock*

If that was the reason and it was intended to create a utility like the ESB, the logic would be that sooner or later the full economic cost of water must be charged. If people used vast quantities of water, they would be charged for them. Now we have the water meters at a cost of €540 million and the huge establishment costs of a centralised organisation that is unlike the NRA, which operates with a very small staff. In fact, there might have been a marginal gain by coming under what the meter would tell you, but from the Uisce Éireann side of it, the major private users with the big leaks will be able to continue on their merry way because it will make no difference. As the only justification for water metering as a tax has been done away with, the simple thing is to abolish water charges in total.

The argument I will be given in favour of this money-in, money-out approach - it was water-in, water-out - and a massive bureaucracy is that it will facilitate off-balance sheet borrowing. The income of the company from domestic water rates will be approximately €300 million. I was doing a little sum. There are 500,000 houses which are never mentioned by most people and they are in rural areas unconnected to waste water systems. Those people pay €200 to €300 to get their own septic tanks cleaned. The average contribution they will make is between minus €20 and €30 per annum. Can the Ministers of State confirm if that is correct?

**Deputy Simon Harris:** Can the Deputy repeat that?

**Deputy Éamon Ó Cuív:** There will be a net contribution of between minus €20 for a single dwelling house and plus €30 in rural Ireland. Am I correct?

**Deputy Simon Harris:** I am not immediately able to answer your question.

**An Ceann Comhairle:** I ask Deputies to speak through the Chair and not to have an across-the-floor conversation.

**Deputy Éamon Ó Cuív:** We are trying to be constructive tonight. When one tries to be constructive around here, one gets into trouble. The Ministers of State were trying to be helpful to me. We would not like to make a mistake. I think by the nodding heads, my sums are right.

These 500,000 houses will yield damn all to the Exchequer. However, to get this null or minor sum will require a huge amount of administrative work. Uisce Éireann will have to issue all these people with a bill and chase up the defaulters while the Department of Social Protection will have to process all of these applications and confirm the identities of the householders. There will be many checks involved including of people who move from rented accommodation. The mind boggles. Between 5% and 10% of the money-in and the money-out to net this zero figure will be taken up in administration. For the 1.3 million dwellings which are connected to sewerage schemes, the charge will be between €60 and €160. There will be a net gain of €100, but if we take the €300 figure, it will cost Uisce Éireann a massive €30 million to chase down people and collect the money. It could cost a further €13 million for the Department of Social Protection to process all the changes of tenants among its clients in order to pay out the money. That is €43 million in administration fees.

Given the 500,000 houses from which virtually no revenue will be derived, there could be a bill of €50 million to €70 million. Moving the money from here to there and back again, one winds up with €100 million in one's pocket. I thought it was slimline-government time with the elimination of unnecessary bureaucracies, but we are now setting up a new one. The position will not be the same as with free electricity where pensioners mainly stay put. In this case, one is talking about the entire population who reside in dwellings. They will be coming and going all the time and there will be a whole section in the Department and Uisce Éireann that will be checking addresses every day.

I turn to the next obvious question to which no one seems to have the answer. I would love to see the revised business plan for Uisce Éireann. The Government keeps saying it will borrow off-balance sheet. Can someone explain how a company with a turnover as small as that of this one can borrow? How much would any rational borrower lend it? Will there be loans of €3 billion, €5 billion or €10 billion? The Government says it will invest €600 million a year. We were doing €500 million a year when we were in government. The Government says it will increase that by €100 million to solve the problem. What I would like to see is the business case setting out how much of that €600 million the company will be able to borrow. No doubt, those who will lend the money will look at repayment capacity. Therefore, it is not like the ESB that borrowed €7 billion. It could do that because it is paid in full by every customer. It has a long-standing record of professionalism in its business. The Government must tell the House if the maximum amount of borrowing it can realistically do is in the region of €2 billion or €3 billion as it will not be open-ended.

The other problem about all of this and the assertion that there is a great gain in borrowing

off the balance sheet is that even if the Government was given €1 billion tomorrow, it could not spend it. Between planning and arguments about the siting of waste water plants, which are much more expensive than water, the Government would find it could not spend the money quickly. One of the biggest logjams in getting things done in the past has not been money but rather the ability to get through the processes we have, rightly, put in place. Considerations include archaeology and local objections. Deputy Ring will be very familiar with things like this all over the place over a long career. Everyone wants the system. I remember one of the best speeches one of Deputy Ring's colleagues ever made. Councillor Gerry Coyle noted that everyone wants the mobile phone but nobody wants the mast, that everyone wants to be able to dispose of rubbish but nobody wants the dump and that everybody wants the sewerage system, but they do not want the processing plant near their houses.

**Deputy Michael Ring:** That is right.

**Deputy Éamon Ó Cuív:** What is the gain here in that case? What are we getting out of this apart from one thing that always happens. I am willing to admit I saw it happen when we were in government. There is a thinking in officialdom, which will wait 50 years to get its way eventually. I see it doing things with this Government that were tried a few times with me, although I said "No". Officialdom will keep coming until it gets somebody to do the thing it wants done. There is somebody in officialdom who was there in our time who wants a metered system of water. They will allow the figure to be written down to virtually zero because they take the long view that once the system is in place, they will be able to chip away at it until they reach their objective of full cost recovery.

Slogans are dangerous and I do not agree with the slogan, "We have paid for water". If we have paid for water, we have not paid for something else because the Exchequer returns for the first ten months of 2014 show that, after setting aside interest and loan repayments, we still spent more on direct services than we took in taxes. Clearly, there are costs that we are not covering and must borrow money to meet. We should analyse the figures and arrive at a realistic and fair conclusion.

I hear another argument about broadening the tax base. Unless one plans to tax people outside the State, broadening the tax base means rearranging the chairs because one must still take money from the same group of people, namely, the residents of the State. What then is being broadened? Normally, broadening the tax base means introducing different taxes to complicate people's lives when it would be easier to have fewer taxes. Having examined documentation produced by the Department of Finance, I believe there is a subtext to the argument for broadening the tax base. The whinge from the Department is that too many people do not pay income tax. This overlooks the fact that people who do not pay income tax pay VAT and excise on petrol, beer and so forth. It appears that those who are paying income tax - a fair number of people in the system pay handsome amounts of income tax - believe one of the ways of lessening the burden on them is to introduce a large number of new taxes that everyone will have to pay. If that is what is taking place, we must be honest about what is meant by broadening the tax base. Let people argue that the top guys are paying too much and the bottom guys are not paying enough. Let those who believe that is the case call it as such.

Increasing the number of piddly little taxes, of which a tax generating €100 million is one, is an irrational system for collecting money. When I was a member of the Government I used to hear a great deal about €100,000 being wasted here or there and I always tried to put such figures in context. To put the figure of €100 million in context, let us take the example a house-

hold with a net after tax income of €50,000. If this household were to devise a plan to save €1 per annum, one would not believe it was doing much to save money. If it were to produce a complicated, money-in and money-out plan to save €100 per annum, one would conclude that the savings achieved would not do much for the family economy. The Government spends €50 billion annually. The figure of €100 million from water charges is exactly the same proportion of overall Government expenditure as a saving of €100 would be for a family with a net income of €50,000.

My conclusion is that while the Government may not have a long-term plan, somebody in Merrion Street is taking the long view. A long time ago, Charlie McCreevy made the same comment in respect of Europe's view on corporation tax. The officials in Merrion Street will wait forever because it is in their minds to go the full hog and charge the full economic cost, not only in terms of water in but also of water out.

**Deputy Fergus O'Dowd:** I would like to respond to some comments which were made about me earlier in this debate, some of which were audible and at least one of which was inaudible. I wish to put the record straight on this issue.

First, I want to show a red flag to the so-called socialists in this House who have struck decent and honourable men and women in the course of performing their duty in a very difficult economic climate. I refer to the almost 2,000 men and women whose job is to install the hated water meters. Every one of these men and women has a home and most have spouses and children. The intimidation and abuse they experience is appalling. I ask the so-called socialists to desist from this. While they should protest if they wish to do so, they must allow these decent men and women to perform their jobs and live the decent and honourable lives to which they and we are entitled.

I propose to address a number of issues raised by Deputies, specifically Deputy Cowen. Unfortunately, when I asked the Deputy what he said his contribution had not yet been published. That is not a reflection on the Debates Office. The Deputy informed me that his remark was to the effect that I only spoke out after the horse had bolted, that is, after I had been sacked by the Taoiseach. The contrary is the case. I noted in my time as Minister of State that Deputy Cowen was absent more often than he was present for debates. It is notable that the Fianna Fáil Party benches are empty as I speak. What is new? The Deputies are not here because they do not want to know, although they will bang the drum when it suits them.

**Deputy Martin Ferris:** Where are the Labour Party Deputies?

**Deputy Fergus O'Dowd:** I am referring to the Opposition but I will let Deputy Ferris put the boot into others.

**Deputy Brian Stanley:** The Shinnars are here.

**Deputy Fergus O'Dowd:** There was a nightmare scenario, about which I was very worried when I was appointed to the Department of the Environment, Community and Local Government. In the event that officials are brought before an Oireachtas committee, which I would be happy to attend, I ask that all of them, including the relevant assistant secretary, who were present at any of the meetings at which I made comments on this matter state in clear, absolute and categorical terms that I was never silent and at all times made the points being made by many speakers in this debate. At my first meeting, I raised issues about affordability and water poverty, which was a key issue for me. The meeting defined water poverty as referring to those

who spent more than 3% of their income on water. I asked that a report be commissioned on this matter and a report was done. I also raised the issues of low income, single parent and large families as well as children. These issues were most important to me at all times and I referred to them at every single meeting.

I also had a meeting, which was well attended by departmental officials and one or two Ministers, at which I raised the issue of fixing the pipes before the installation of water meters. I was not silent on that point and made clear my strong view that we needed to show credibility on the issue of water wastage. In County Roscommon, for example, more than 60% of water was being wasted, while in County Kerry the figure was more than 50%. We needed to acquire credibility by fixing the pipes before installing meters. This would allow us to make the case that, having spent so much money, the water coming through people's pipes would come into their house and would not be wasted and disappear into the ground. I emphasised the importance of building up public trust on this issue. Needless to say, my view was overruled by those who attended the meeting.

At every meeting I attended, particularly those attended by Irish Water officials and, previously, by representatives of Bord Gáis, I stressed the importance of communication. My message was that we must explain the position to people when installing meters because the public must buy into the issue. I stated at a meeting of a public forum, which can be viewed on YouTube, that the battle for the hearts and minds of the people was about this very issue and that if we did not address it by selling it, the system would not work. We are now faced with protests, which was the nightmare scenario for me and the last thing I wanted to see. Everything I did and continue to do is to ensure the truth comes out, not only about my role but also because people must be informed and educated about what must happen in terms of water conservation.

We must talk about jobs in the pharmaceutical industry, farming and other water-intensive industries such as information and communications technology. Why did Intel give Kildare County Council €32 million? The reason was the company wanted to augment its water supply in order that it could continue to employ thousands of people at its site. We have a wonderful opportunity to attract tens of thousands of jobs in water intensive industries. That is the message we need to sell and one that has not been sold.

Irish Water did not explain the shortage in Dublin's water supply and similar awful scenarios that will be realised if we do not augment and improve the water supply. I went to Kerry County Council, Galway, Roscommon, Tipperary and everywhere else to sell this message. The trouble was that nobody listened to me. They are listening now, but perhaps it is too late.

I was asked by Deputy Martin whether anybody asked me about my comment that Irish Water would be an unmitigated disaster. I made such a comment at a high level meeting in the Department, which senior officials and the Minister attended. There was nothing hidden about what I said. We are now in a very difficult situation, with which we have to deal as best we can. I emphasised communications and schools time and again. I sent Irish Water a wonderful book about water produced by someone in Dundalk IT. I spoke to teachers in the Blackrock Institute of Further Education about how we could introduce a water model to all schools so that all children and primary schools would understand conservation and jobs, but that was not to be.

In regard to privatisation, when I spoke on the first Bill I said the No. 2 Bill would include a commitment that privatisation would never happen. When the Bill was published it made no reference to privatisation being banned, something to which I objected strongly. If one asks

the officials they will say the same. It was wrong and we were going back on a fundamental promise I made in the Oireachtas. Needless to say, it was changed. The former Minister, Mr. Phil Hogan, in fairness to him, took it on board and it was in the Bill. I am very concerned about this issue and welcome the decision of the Government that privatisation will be the subject of a referendum, which is the way it should be.

I had a fundamental disagreement over the first fix being free. I spoke at a conference in February that year and said the first fix would be free, and Mr. John Tierney disagreed with me. When I went back to the Department I was told a press release would be issued to the media, contradicting what I had said. I said that was fair enough, and if it was released I would resign. It was not released. I am telling the truth, to which people are entitled. They are entitled to the facts, which I am giving to them.

The last debate I had with Irish Water and others concerned what would happen to Irish Water and whether there would be a reverse takeover with Bord Gáis. I was the only one at the meeting, which was attended by at least three Ministers, to say Irish Water must be a stand-alone company and should not and could not become part of any other company or conglomerate if it was to have credibility. I am concerned about the proposed legislation which has not yet been published. Irish Water must stand alone and I see no reason why anybody else should be involved in managing the board. Let it be the best it can be, which will happen.

Let us have the best and most accountable and professional Irish Water we can have, free of all encumbrances of politicians. If it is to have credibility, that is what has to happen. I always tell the truth and act in accordance with my conscience. I am not afraid to face anybody in any committee and will tell the truth at all times, because all I have are the facts for which I stand. I stand for the credibility of all of my actions as Minister of State. That is my life and what I have always done. I thank the Government for allowing me to speak and will return to some of the issues again.

**Deputy John O'Mahony:** I do not have inside information and welcome the points made by the former Minister of State, Deputy O'Dowd. I spoke on a Private Members' Bill a number of weeks ago. When insults were flying from one side of the House to the other, I said I felt what was needed was to fix the problem and to forget about sacking people left, right and centre. We need to fix a system which has been under-invested in for decades and come to a solution that is clear, certain and affordable. Today's announcements fulfil those criteria.

Members of the Government need to hold up our hands. We have done so in the past number of weeks, but perhaps it came too late. Irish Water needs to do the same. It rushed the water charges, the timeframe was too tight and it has played catch-up on this over the past number of weeks. It did not communicate the message, a point Deputy O'Dowd articulated.

We have seen the consequences of decades of under-investment in my neighbouring county of Roscommon. I am glad to say the problems there will be fixed in the very near future. As a result of the confusion and scaremongering, water charges were not an issue in my constituency until a number of weeks ago. People on group water schemes have been paying for water for the past 20 or 30 years. I welcome the fact they will be included in the €100 rebate and if some make some profit on that because their charges are under €100 per annum, so be it. It will make up for all the years they paid when there was no rebate. I am confident that today's measures got it right and brought certainty and clarity to the situation.

What has happened today also demonstrates that people have been listened to, which is a good thing. The charges will be capped until 2019.

On privatisation, I never had any doubt that the Government would try to privatise Irish Water, but it is important to put into legislation a proviso that if any future Government decided to privatise it, that would have to be decided by the people in a referendum.

I am glad that conservation can be achieved through the use of meters. I gather up to 70% of people can reduce their water charges by using meters. The charges can be reduced, but cannot be increased. The requirement for PPS numbers has been abolished and those which have been provided will be deleted, in conjunction with the Data Protection Commissioner.

While the journey to today's announcement has taken a long time and has been a rocky road, and we might ask why we could not have done this three or six months ago, a lot of the problems have been fixed.

**An Ceann Comhairle:** Deputies Dessie Ellis and Aengus Ó Snodaigh are next on the list. Has that changed? Does Deputy Mary Lou McDonald wish to speak for ten minutes?

**Deputy Mary Lou McDonald:** Yes. Today, when the Minister, Deputy Kelly, in summoning all of the gravitas he could, opened his remarks he said this was a significant moment for the country. He went on to explain that the choice to be made was, according to him, between short-term emotion and anger or long-term prudence and common sense. Undoubtedly, this could have been a significant moment for the Government, where it finally listened to the common sense of the people. It could have been the moment when it understood that people cannot and will not pay a charge for the water that comes through their taps - the moment it abolished water charges. Good sense could and should have prevailed. Instead, the Government chose to portray the people's opposition to the water charges as short-term emotion and anger.

I want to tell the Minister of State that he and the Government make the most grave mistake if they believe that either the anger or emotion expressed by hundreds of thousands of people on our streets is short term. The people's anger is a long time in the making - year after year, budget after budget. The people's emotion emanates from deep inside. It is the emotion of carers who have been penalised by the Government, of parents who have been put to the pin of their collars to keep their children warm, clothed and fed - the very children the Government so shamelessly failed to cherish - and of families struggling with poverty. This emotion is not transient. It is borne of bitter experience and is fuelled by the Government's distant disregard for how people in the real world have been forced to struggle on its watch.

The Government is not one guided by long-term prudence or common sense. It is conspicuously lacking in both of those virtues. No prudent government could dream up or stand over the corporate monster that is Irish Water. No prudent government would blow €500 million of the people's money on water meters, while 40% of treated water - as it never tires of reminding us - leaks from decrepit pipes. Nobody with an ounce of common sense would demand payment for domestic water from families that are already struggling just to get by. Nobody with a screed of cop-on would present this latest cobbled-together plan as the final resolution on the water charges issue or the matter of Irish Water. Nobody in the Government should imagine that today's cobbled-together plan will mark the end of the campaign to abolish water charges. It will do nothing of the sort. The Minister's notions about his legacy are perhaps the clearest proof - if more proof was necessary - of how out of touch is the Government. It is a rare claim

to cite Irish Water and unaffordable charges as one's legacy and gift to the Irish people.

Earlier, some Deputies referred to the issue of affordability, which has been stated as one of the hallmarks of this plan. I have heard people shrug off the notion of a charge of €160 or €60 or €280 as though it was nothing. Indeed, this charge has been broken down to the per week cost. Deputy Joe O'Reilly stated it would be €1.15 or €3 per week. I do not know how often the following statement must be made in this Chamber, but I will make it again, if for no other reason than to have it on the record - I represent people for whom an additional €3 per week is too much and cannot be paid. They do not have that money. These are families that struggle now with the bills they have, families in deficit and that do not sleep at night because they cannot pay their electricity bills. These are families that have lost the roofs over their heads because they could not meet their rent.

Is there anybody in government who understands these facts? To glibly talk to these families about affordability and to tell them it is only €3 a week is of no assistance to them. I have said it before, but will say it again, that many of these families are what we now call the "working poor". They are not necessarily people reliant on social welfare payments. Anybody elected to this House who takes the trouble to knock around his or her community or neighbourhood is bound to have met the "working poor". Members know them, because they must live in their neighbourhoods. They are people who quietly and desperately panic and worry because they are just not making it. There is no affordability for these families, which are many. They have told the Government, in their thousands, that they are unable to pay anything. This is the position and the Government has been told this again and again. The word "affordability" from the lips of anyone in the Government is a joke. This is not an affordable scheme.

This is not a scheme that is correct in principle, because there are people who will not pay this charge, not because they are some kind of social deviants or irresponsible citizens, but because they believe, as do I, that water as a public good and perhaps the most basic necessity for every family and person should be paid for through progressive taxation. Like me, they believe that no citizen - one's elderly neighbour, people with a disability or people who have had the misfortune to lose employment - should ever face the prospect of being penalised because of being unable to pay for his or her domestic water. This is a matter of principle and does not represent social deviancy, but rather social solidarity, the stuff of which Irish people are made.

The Government says its plan represents simplicity and certainty. The people's message to the Government was simple - it should abolish the charge. It should do that and stop making it up as it goes along. It should abolish this charge. Let it go back to the drawing board and let us debate robustly, democratically and fairly the issue of leveraging funds for the creaking infrastructure. The popular democratic demand is that the Government should abolish the charge.

The Government speaks of certainty. People want the certainty that they will not face the prospect now or any time in the future of not being able to pay for something as basic as water. They want the certainty of knowing that water, as a public good, and water infrastructure will never be privatised. Yet for all the bluster, that certainty has not been delivered. What is certain is that penalties have been proposed for those who cannot pay or those who will not play ball with the Government's scheme. The Government talks about penalties and about landlords to deduct unpaid charges from tenants' deposits. Awful threats. It talks about attachment to properties. Perhaps, therefore, when property is sold on when somebody goes to their divine reward, the family will have to pick up the tab.

Deputy Fergus O'Dowd is to my mind the first Member on the Government side who has spoken honestly and directly on this issue. While we might not agree on everything, I acknowledge the honesty of his contribution.

There has been much talk about protests and about the incident last weekend involving the Tánaiste. I do not approve of anybody throwing bricks at An Garda Síochána or anybody else. However, the people who have come out in their droves to protest are not thugs. They are not guilty of any thuggery. They are active citizens with a mission and a message - that the Government must abolish these charges.

**Deputy Aengus Ó Snodaigh:** There has been much talk about privatisation of Irish Water and we heard the former Minister of State speak about this earlier. The commitment that the Government is trying to put across in its supposed plebiscite is much like the triple lock, and people may remember the trickery involved with that. Rather than putting a commitment to Irish neutrality into the Constitution, the Government created something which was not such a commitment. The very same trickery is being attempted by the Government on this occasion.

Deputy Pat Rabbitte said last night:

There won't be any privatisation of water services. No Government with its head screwed on would seek to privatise something as critical as the water supply.

We only need to look at the record of this Government to date in that it has already privatised social welfare services, has tried to privatise Coillte, although it backed down on that because of the backlash, and is trying to privatise bus services at present. There is a record and a trend, and it is not the fault of the IMF or the ECB; it is the fault of this Government and its intentions. The only logic to the Government's argument that there should be a plebiscite is to have a plebiscite that matters. That means we would have a referendum to enshrine within the Constitution the right to water and that Irish Water would never be privatised.

As I said, Deputy Rabbitte said no Government with its head screwed on would do this, that or the other, and in particular privatise critical services such as water supply. However, this is the same Minister and Government that have cut child benefit, despite promising the opposite, and said there was no cut to social welfare services or allowances, when 17 social welfare allowances were cut since the Government took office. The Government has been engaged in transparent cronyism despite the fact it said there was a democratic revolution. All we need do is look at the board of IMMA, which was filled for five minutes just to get a nomination. A constitutional right to water and a constitutional protection of water services is what is needed.

There has been a lot of talk about under-investment from the other side of the House as if Fine Gael and the Labour Party have never been in government in this State. They are just as responsible for the under-investment in the water services in this State as Fianna Fáil, and they cannot shirk that. They were in government and they did not invest, and they have been in government for the past four years and they still have not invested. Instead, they say they will land it on top of the people and let them pay three or four times. The people are not fools, although today's package assumes they are. The Government will see that they will not be hoodwinked into signing up to this water charge, which will inevitably rise in the future. The carrot the Government has offered today is all it is - a carrot. The stick comes after 2018, when the water charges rocket to levels the Government cannot imagine but which we have imagined and outlined directly from the start of this debacle under Fianna Fáil, when it promised to introduce

water charges with its partners in crime at that time, the Green Party.

The Minister, Deputy Kelly, said earlier that this new package provides certainty, simplicity and affordability. I have been on the marches and I did not hear anybody chanting “What do we want? Simplicity”, or “What do we want? Affordability”. What they want is the charges ended now. This means the Minister is not listening. He came here and said “We have listened”. In fact, he has not listened because he has not come here and abolished the water charge. If he had listened, that is what he would have presented today.

Of course, water has to be paid for. The taxpayer is already paying for it, up and down the country, and that should continue under a progressive taxation system. However, the model that is being proposed today and that has been proposed from the start is regressive. A family of two or four, on €30,000 a year, will pay the exact same as a millionaire in this city or this State. That is not progressive taxation. The League of Credit Unions latest “What’s left” survey showed that 483,000 people have nothing left at the end of the month - not €10, not €3, not €1 but nothing. They cannot pay for something with what they do not have.

**An Ceann Comhairle:** I understand Deputy Costello is sharing time with Deputy Nolan.

**Deputy Joe Costello:** I am pleased to have the opportunity to address this very important and serious issue for all the people of this country. I have just come from a meeting with Welsh parliamentarians, who tell me the average cost of water for them is between £450 and £500 per household. They moved away from the old rateable system, although some 40% are still on that system, which is charged separately, to a new metered system where the average charge is £450 to £500.

Of course, Sinn Féin can scarcely talk about charges considering the household charge it is part of and the fact it has now put forward a budget which will see an 11% cut across every Department in Northern Ireland.

**Deputy Brian Stanley:** Come on. Be honest.

**Deputy Joe Costello:** It and the DUP have put forward that budget, which will shortly be implemented. Of course, even at that stage, Northern Ireland is supported by approximately £2,500 per annum per citizen from the United Kingdom.

First, Sinn Féin members have no problem with funding coming from England or from the United Kingdom and, second, they are complaining that everything that is introduced in Northern Ireland is not of their doing but is the doing of the British Government. Now, they have signed up with the DUP to put forward a budget that has 11% cuts right across the board at a time when the level of poverty in Northern Ireland is higher than that in the Republic. They are certainly very hypocritical in coming forward here and talking about the poorest people in the country when we see what they are doing in Northern Ireland, where they are in power.

As I have said in this House previously, there is no doubt that many mistakes have been made in regard to the establishment of Irish Water, the manner in which it was communicated and the lack of communication with the people. There is much concern abroad about the costs, PPS numbers, privatisation and payment. These are issues that have been brought to our attention and they have brought people out in unprecedented numbers to march on the streets. However, we did promise we would listen to what people have to say and we did promise we would do our damndest to deal with the matter and come up with a solution.

There are some in this House and outside it who do not want a solution. A solution is anathema to them because their whole policy is not based on ideology but on protest - protest first and last. People like that will never be happy with the situation. We have seen that one Deputy in the House has described the imprisonment of the Tánaiste for nearly three hours as a peaceful protest when it was in fact imprisonment of the second highest officer in this Government.

**Deputy Ruth Coppinger:** It was a sit-down protest.

**Deputy Joe Costello:** It is not a sit-down protest; it is imprisonment. That same Deputy said: "Then we decided we would let her go."

**Deputy Ruth Coppinger:** Yes. There are people sleeping in their cars every night and the Deputy did nothing about it.

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

**Deputy Joe Costello:** What does the Deputy think that is? That is detention. First, foremost and last, it is detention.

Sinn Féin Members might speak to their leader, Deputy Gerry Adams, about the time he was imprisoned in the Lower Ormeau Road and how he took the British Government to court. In the same fashion, he was surrounded by the RUC and the army for a period of time and could not move in any direction. He might tell them the amount of money he got from the Crown.

**Deputy Ruth Coppinger:** Tell the people of Tallaght-----

**An Ceann Comhairle:** Sorry, Deputy Coppinger, if you cannot stay quiet, I will have to ask you to leave the House.

**Deputy Joe Costello:** I know all about it because I was present and I was a witness in the court as well. What constitutes imprisonment and what constitutes protest? Imprisonment and peaceful protest are two totally different things. The sooner Deputy Ruth Coppinger and her colleagues realise that, the better it will be for democracy in this country. Certainly anybody who has been elected to represent the people of their area in this Parliament should have full respect for the other people who have been elected democratically to it. There is a way of going about it and it must be proper, peaceful protest and not something they describe as peaceful when they then behave in a totally different fashion.

I hope that when people examine this package, they will decide for themselves whether we have listened properly and have done a reasonable job in responding to the people's concerns. The first instance is the issue of simple and affordable bills. I have already given an indication of what the charge in Northern Ireland is, namely, a multiple of what the proposed water charge here will be. It is also a multiple in the United Kingdom. I met parliamentarians from the UK here tonight. They thought it was hilarious that we could be talking about a charge of €60 per annum for single adult households and that we would have a cap of €160 for everybody else. I do not think there is a country in Europe that would consider this to be anything other than an affordable, fair, simple and straightforward charge. It brings a degree of certainty to the issue such that there is now no confusion. There are two capped charges that stand for the next four years.

At the same time, there is the option of households moving to metered charges. Where households feel they can reduce the bill through a metered charge, they are entitled to do so.

The estimate that has been given by the Minister is that approximately 50% of households would reduce their bill by moving to a metered charge if they were to reduce their water usage by 10% to 15%. I hope this provides a degree of certainty and addresses the question of cost. Of course, each child is still entitled to 21,000 litres regardless of whether he or she is in college.

I am on record as saying I would prefer if we had a referendum to enshrine the Irish Water service in our Constitution so that it would remain in public ownership and would never be privatised. That is still my preference but what we have introduced has certainly strengthened the current situation. It is true that the existing legislation, which is the Water Services (No. 2) Act 2013, prohibits the shareholders of Irish Water - the Ministers for the Environment, Community and Local Government and Finance and the board of Irish Water - from disposing of their shares. That is stated categorically in the legislation. A concern remains that some future Government might private Irish Water and that the legislation could be changed but it is proposed to introduce totally fresh legislation which will state very strongly that a referendum would need to be held if there was any attempt to privatise Irish Water or the infrastructure of the service being provided. It is being stated categorically that privatisation would require a prior referendum and an amendment of the Constitution. It would be a very reckless Government that would come into this House and propose that this legislation be changed to do away with the commitment to retain Irish Water in public ownership. This is a very substantial commitment. If one takes it in the context of the possibility, as we have seen in the past, of a number of unintended circumstances arising from referendums that have taken place in this country and the cost of holding a referendum, which I understand is in the region of about €20 million, one can see that it is something that should be considered. It has strengthened the matter to a very considerable degree.

Why is all this being done? It is being done because the current system is flawed and its continuation is dangerous. There are 28,000 households in County Roscommon that still have boil water notices. In parts of County Kerry there are ten or 12 times the level of lead in the water. Cryptosporidium is commonplace in the summertime and interferes with the tourism industry, as well as endangering the health of people, particularly in the west. The 34 local authorities have been unable to provide a quality standardised service of clean water and to deal with wastewater. Despite the fact that we are an island and present ourselves as a green, clean and fresh island with healthy food, we have one of the worst records in Europe for pollution with so much wastewater flowing into our rivers, lakes and seas.

I trust that this proposal by the Government will receive a fair hearing.

**Deputy Derek Nolan:** The last time I spoke about Irish Water in the Dáil, I spoke about my encounters with people in Galway city and county and the anger felt there. I said at the time that this anger was genuine and based on a fear that what was being introduced was going to be completely unaffordable and that what had been set up was more of a HSE rather than an ESB. The uncertainty in people's minds was exploited, preyed upon and whipped up by people who were peddling myths and mistruths. What was needed was a fresh start and a new beginning for Irish Water and that is what we have today. We have received that new start and that ability to put certainty and affordability in place. It involves making sure people know what they are going to be charged and putting in place a properly based argument for the need for a public utility that deals with water, the need for investment in our infrastructure, the practical applications of water meters and what they can do to detect leaks and how we can incentivise people to conserve by reducing their water usage rather than penalising them for excessive water usage.

The past number of protests have been broadly attended by two groups of people. The first comprises those who would not pay for water even if it was a cent per year while the second group consists of those who had genuine concerns about affordability, ineptitude and inefficiencies and wanted a proper system in place. We will never be able to level or reason with the people who do not want to pay but what we can do is address the fears and concerns of people who are worried about whether they can afford it. The measures that have been put in place, such as a guaranteed cap until 2018 of €60 per year for a household with one person and €160 per year for a household with more than one adult, puts that certainty in place. If one works it out, that is 16 cent per day for an individual and 44 cent for any other type of household. The fact that we can say that this will be the case until 2018 and that when the meters come in, they will allow people to reduce their bills even further takes away that worry about affordability and gives people peace of mind and certainty for the future. We then need to say what our capital programme in the next number of years will be. I understand the Minister will be coming back in a few weeks time and that Irish Water will announce the projects across Ireland to take away sewage that is going into the rivers and waterways in 42 towns across the country and to replace the lead, broken, old and inefficient pipes. We will also be able to say that this public utility will be able to raise money so it will not be competing for capital funding with health, housing and so forth. It will have its own revenue stream to invest and the modest charges will be put to good use and be used practically.

The other aspect that is particularly good is the cost where we will have the cheapest water in Europe. This is another measure that can put people at ease.

*9 o'clock*

Genuine concerns were expressed by reasonable people about privatisation because they had been whipped up. They were told this was the plan, that they were being lied to and that it was going to be slipped through. We have provided for certainty in this regard. Nobody in the Dáil or the Seanad has expressed a desire to privatise Irish Water, but if people with different views make it into Government Buildings at some point in the future, they will have to hold a referendum before they can do so. We have dealt with the issue of privatisation.

PPS numbers will no longer be required and we have made the figures people will be paying affordable. The cost will be €60 for an individual and €160 for any household larger than one. We have put in place a programme of investment in order that people will know what is going to happen. I am not sure what more we can do to make it sound like a reasonable proposition into which people can buy and understand.

I am confident that in two years time we will still be dealing with those who oppose charges, regardless of what reasonable and practical arguments we make, but the vast majority of people who understand the need for investment in good water services and the crucial role water plays in our lives and the economy will be satisfied by these measures because they are certain, affordable and predictable.

**Deputy Thomas Pringle:** For the past couple of weeks the Taoiseach has been harping on about today's announcement bringing clarity, certainty and predictability to the Irish Water pricing regime. It has brought clarity because it is clear that the Government has lost its mandate to govern. It has brought certainty because it is certain that the protests against Irish Water and the Government will continue. It is predictable that the citizens of the country will punish the Government for the policies it has pursued in the past four years.

The Taoiseach correctly noted that the protests were about more than water. Water is currently the focus of the protests, but they are also about the Government's betrayal of the people and the so-called democratic revolution that it harped on about in 2011. The citizens of the country are sick and tired of this and the previous Government. They must have their say if they are to be able to punish the Government for betraying their goodwill. The Government is afraid of them. The Minister for the Environment, Community and Local Government, Deputy Alan Kelly, said that every citizen of goodwill would look favourably on these figures, but he intends to give landlords the legal power to deduct unpaid water bills from tenants' deposits. That will simply push up the size of deposits. In addition to a deposit of one month's rent, tenants will have to pay €300 or €400 to cover their landlords for potential bills in the future. That will just continue the cycle of homelessness and unavoidability that affects the private rent sector.

The Government has stated these measures are about water conservation, but that claim has been shown to be untrue. They are about revenue generation and getting people to accept the principle of paying for water in order that the service can be privatised in the future, irrespective of any legislation requiring a plebiscite. The Minister has stated that if citizens reduce their consumption by 10% to 15%, they will beat the cap on water charges and thereby reduce their bills. Last week representatives of Irish Water stated in front of a Dáil committee that metering would only reduce consumption by 6%. How will people achieve the level of reduction required to beat the cap? This evening *purchase.ie* published figures that show that a five adult household would have to reduce consumption by 71% to beat the cap. That is not possible. If the Government was serious about conservation, it would have taken the €529 million from installing meters across the country and used it to roll out a district metering programme, whereby bulk meters would be installed to monitor mains and detect leaks. In the real world I worked in water services for Donegal County Council and in a water treatment plant. I have fixed and detected leaks. Proper district metering would identify leaks on citizens' connections and mains. Not one meter installed by Irish Water at a citizen's household will detect a mains leak.

The Government claims that replacing lead piping is a priority for Irish Water. Five years ago Donegal County Council successfully rolled out a programme to identify and replace lead connections across the county. This could be done across the country. Local authorities have been implementing such programmes for many years. If the Government was serious about water infrastructure, it would make the money available for this to happen. The local authorities concerned did this work free of charge for citizens and without fuss. That is not what the Government wants, however, because it is trying to persuade citizens to accept the principle of paying for water in order that Irish Water can be privatised in the future. Much was made about the requirement to hold a plebiscite before anything could happen to Irish Water, but tomorrow morning Government Deputies will vote down legislation to facilitate a referendum on inserting a right to water into the Constitution. That legislation could have been amended or the Government could have held the referendum with the other referendums planned for next year.

Irish Water may not be sold off as a corporate entity, but as the service level agreements with local authorities come up for renewal in 2025, the Commission for Energy Regulation which was established to deregulate the electricity market and enforce competition will insist on open competition for the service level agreements. We will see the likes of Veolia, Severn Trent and Celtic Anglian Water jockeying for regional service level agreements with Irish Water. They will have the best of both worlds because they will be paid huge amounts to maintain the system, but they will have none of the responsibility. That is the type of privatisation which will be forced on the people in years to come. It will take time to materialise, which is why people

will have to continue with their protests. The Government does not have a mandate, as the citizens are making clear. This Friday the Can't Pay, Won't Pay group in Donegal will organise a 24-hour protest outside the office of the Minister of State at the Department of Arts, Heritage and the Gaeltacht, Deputy Joe McHugh, in Letterkenny. The numbers attending that protest will show that the so-called clarity, certainty and predictability will not wash with citizens. On 10 December there will be a mass mobilisation outside Leinster House and many thousands of people will show this is not what the citizens want. The Government's only option is either to abolish Irish Water and water charges or go to the country in a referendum in order that the people can give their answer.

**Deputy Ruth Coppinger:** I wonder whether the Cabinet has been watching reruns of "Only Fools and Horses". Today's attempt to sell dodgy goods at a discount is reminiscent of Trotter's Independent Trading. I am sure the Minister of State, Deputy Paudie Coffey, is familiar with the series. In the Christmas episode in 1992 Del Boy convinced Rodney that they would put tap water into bottles and sell them as "Peckham Spring" to unwitting plonkers - to use the Cockney phrase - wallies and dipsticks. They think things are lovely jubbly and cushty, as Del Boy would say, until the entire scam falls apart. I am not sure which of these roles, Rodney or Del Boy, applies to the Taoiseach and which to the Tánaiste, but I am sure they will not find enough plonkers to buy their repackaged and discounted goods from the back of their three-wheeled Reliant Regal. Their discounted goods are not wanted and, as every man and woman knows, when the sale ends, the goods go back to their original price. The Government wants to introduce these charges before raising them at some time in the future. This is what happened with bin charges, whose introduction the Government continually points out we failed to prevent. One need only look at what happened as a consequence of that failure; that is the point we are making. What happened was the waivers went, standing charges were introduced, and tags and bags doubled in price.

Ministers have spoken about legislation the Government will introduce to prevent any cap being lifted until 2019. What a joke. Do they really think they are dealing with an uneducated rabble out there? They have no control over what any future government might do and cannot order it to hold a referendum. The only way to guarantee a referendum will be held is to put something in the Constitution in the first place.

Ministers said they listened to what people had to say. I have been on a lot of protests and have not seen any banner mentioning affordability or clarity. People had two points to make, namely, to demand that water charges be abolished and to proclaim, "No way, we won't pay." The Government listened to what was being said but chose to ignore it.

**Deputy Paul Kehoe:** The Deputy never paid for anything in her life.

**Deputy Ruth Coppinger:** The shouter is back. I am glad he is taking an interest.

Full-cost recovery is written into the memorandum that was agreed between the troika and Fianna Fáil in government. That is the overall aim down the line. I am not sure how the paymasters in the troika and the European Union will take to what the Government has done today, given that it has not provided enough food to feed the hungry beast of Irish Water. It must be very embarrassing for Members on that side of the House going on all week about raw sewage. I have never heard that expression as often as I have heard it in here in the past two weeks.

**Deputy Paudie Coffey:** We have had to listen to a lot of it.

**Deputy Ruth Coppinger:** Yet the conservation argument has gone out the window, or fallen off the back of Rodney's truck. Does the Government intend to store the water meters along with the e-voting machines? What is the point in anybody accepting a water meter when it will not be needed for four years? Why would a person do that?

The question now is whether this trickery will work. Will the discounted goods be bought? I firmly believe the answer is "No". The protests will continue because people are how emboldened. They have seen their own power, something that has not happened for a number of years and which the Government hoped would never happen. People are confident and they see that the days of "There is No Alternative", TINA, which we used to hear every morning on the radio, are well over.

Ministers have tramped through here today and talked about anger not being a good emotion for people to be working off. The Minister for Transport, Tourism and Sport, Deputy Paschal Donohoe, made a very unfunny joke that the three As in the acronym for the Anti-Austerity Alliance all stand for "Anger". In fact, anger is one of the most powerful and energetic emotions there is. It is the motivator for most of the change that has happened in society throughout the decades, centuries and millennia. Sometimes that anger is suppressed and sometimes it bubbles over, as we have seen recently. Attempts by the Government and media to denigrate those who are angry by describing them as a "mob" are highly insulting.

I draw Members' attention to an observation made by James Connolly. I am sure the Government will be dusting down the books about him in time for its 1916 celebrations. He said, "All hail, then, to the mob, the incarnation of progress." Connolly's point was that the hierarchy, the people at the top, never did anything to advance progress. It was always the "mob", as they were depicted by the likes of this Government and other elites, who forced change. There is no record in history of any movement led by the hierarchy for abolishing torture, preventing war, establishing popular suffrage or shortening the hours of labour. I am sure Connolly's observation is one the Government will be suppressing for the centenary celebrations.

The question for ordinary people is where do we go from here. Non-payment of the bills remains the most powerful weapon we have to get rid of water charges, to finish them off for once and for all. The penalties the Government has introduced today will not cow the masses out there. We were told today that after a full year of non-payment plus three months, which takes us up to March 2016, the Government will move to impose penalties of €60 or €30. I am sure people are quaking at that prospect. After all, that is the month in which there will be a general election, if this Government is not gone before then. Do Members opposite not agree that water charges will be the greatest issue in the election campaign? Why would anybody in their right mind pay out under the pathetic system that has been introduced today when they can lobby and demand that any party proposing to form a government must abolish the charges? I guarantee that this is exactly how people will see it. The Government's attempts to calm things down and get itself off the hook will not work.

On 10 December, a huge demonstration will take place in this city. There is already talk of people taking the day off work. I welcome this and invite people to take part, too, in the We Won't Pay protest outside Irish Water's headquarters on Talbot Street on Saturday week at 2 p.m.

**Acting Chairman (Deputy Catherine Byrne):** Deputies Seán Kyne, Mary Mitchell O'Connor and Patrick O'Donovan have agreed to share time.

**Deputy Seán Kyne:** In common with a number of colleagues, I have already acknowledged in this House that mistakes were made by the Government and Irish Water in regard to this project. It is important to put up our hands. Those mistakes relate to the ambitious scale of the project, its timescale and the speed of its implementation. A particular difficulty was the complexity of the charging regime, with even those who were happy with the principle of paying for water confused by the details or taking the view that the proposed charges were too high. Communication, particularly by Irish Water, was often poor. I welcome, therefore, the clarifications and corrections the Minister has given the House today. I welcome the simplicity of the new regime, with two separate charges for persons living on their own and for families of two or more people. I welcome the certainty provided by the provision that charges will be capped until 1 January 2019. This gives assurance to people that they will be able to budget in the coming years. I welcome, too, the provisions on affordability. In combination with the recent budget measures such as the changes in the threshold for universal social charge and the higher rate of tax, which put money back in people's pockets, the water charging regime becomes more affordable.

I was contacted by only two people who took part in protests in Galway. They are genuine people and they both marched for the same reason, namely, out of their concern regarding the requirement for householders to provide a PPS number to Irish Water. No matter how much reassurance I tried to give, I could not convince them this was a good idea. In that context, I welcome the change in this particular requirement, with householders now liaising with the Department of Social Protection, which is the owner and controller of PPS numbers, in order to avail of the €100 conservation grant.

A common concern among those opposed to the proposed water charging regime was the issue of privatisation. It seemed to me, as colleagues noted, that people's fears in this regard were being stoked up. Having said that, I welcome the clarification that a future Government will have to remove the relevant provision from the legislation. It would be a very brave government that would refuse to put that question to the people.

I put a query to the Minister for Finance in recent days regarding the liberalisation of the water service market and whether there is any requirement under EU legislation in this regard. The response indicated that there is no European legislation requiring Ireland to liberalise its water services market. The Minister pointed to a communication issued earlier this year in which the European Commission confirmed that it would continue to show full respect for treaty rules governing the European Union obliging it to remain neutral in regard to national decisions governing the ownership regime for water services undertakings. I appreciate that people have genuine concerns in this regard, and I hope today's clarification will allay these fears.

I also welcome the water conservation measures and the grant that will allow people to cut back on water. I disagree with those who have said the meters are a waste. There are still opportunities to save money by using less water than one would pay for under the planned new rules. The statistic the Minister highlighted about 22 houses that have meters installed and which were leaking 1 million litres per day, enough to run Gorey town, was startling. We can see the saving that can be made with proper metering and investment, and I see it in areas of Galway where district metering has been installed to make it easier to identify leaks within the system.

One of the most important issues, and the rationale behind Irish Water, is that it can invest in our broken system in the towns where there are problems with wastewater. Some 42 towns

are listed, four of which – Kinvara, Carraroe, Spiddal and Roundstone – are in my county. Irish Water can invest to ensure the bathing water and drinking water standards laid out by the EU regulations are met. It is important we continue this investment. So much needs to be done. Dublin is on a knife-edge and requires an investment of €500 million. Many people who are happy to pay bills will want to know that everyone else is also paying. I welcome the measures put in place to ensure compliance.

**Deputy Mary Mitchell O'Connor:** Hands up: the roll-out of Irish Water was handled badly, as the Minister for the Environment, Community and Local Government, Deputy Alan Kelly, and the Taoiseach acknowledged today. I have listened to my constituents, who have expressed their frustration and annoyance. The Government has responded with a revised, more realistic and more affordable plan for water charges. Today's announcement addresses the many grievances people have against the water charges. I have listened to Deputy Mary Lou McDonald and her Sinn Féin colleagues sermonising and demanding the abolition of water charges while, 100 km north of this city, Sinn Féin is imposing higher water charges. I ask the Sinn Féin Members to stop their crocodile tears.

**Deputy Aengus Ó Snodaigh:** There are no water charges in the North of Ireland.

**Deputy Brian Stanley:** The Deputy is showing terrible ignorance. She should stick to the facts.

**Acting Chairman (Deputy Catherine Byrne):** Please, Deputies.

**Deputy Mary Mitchell O'Connor:** The water charges will be among the lowest in Europe.

**Deputy Aengus Ó Snodaigh:** We are just correcting the record.

**Deputy Brian Stanley:** On a point of order-----

**Acting Chairman (Deputy Catherine Byrne):** There is no point of order. The Deputy has her time to speak.

**Deputy Brian Stanley:** I would like to correct the record.

**Deputy Mary Mitchell O'Connor:** The Deputy knows well what I am talking about. I strongly condemn the antics of the Opposition in the recent past.

**Deputy Brian Stanley:** The Deputy should stick to the facts.

**Deputy Mary Mitchell O'Connor:** It has been unacceptable and destructive rather than constructive.

**Deputy Simon Harris:** Hear, hear.

**Deputy Mary Mitchell O'Connor:** Sinn Féin and the likes of Deputies Paul Murphy, Ruth Coppinger and Joe Higgins have done nothing but waste time, scaremonger and exploit the situation. Deputy Paul Murphy was a disgrace last Saturday. Having assisted in trapping the Tánaiste in a car, he appealed to the mob with the words, "Do we agree to let her go?" This is not democracy at work. Violence and intimidation are not effective forms of protest. There was another woman in the car, an ordinary worker, as Deputy Joe Higgins continually describes his supporters. She, too, was doing her job but was trapped in the car for up to two hours. It was a low point. The Tánaiste had been invited to Tallaght to a ceremony for the graduation of

further education students. Deputy Paul Murphy had also been invited, but chose to wreck the day for the graduates.

There seems to be a concerted effort by Sinn Féin and members of the Anti-Austerity Alliance to undermine and challenge the rule of law and democracy in the Chamber and throughout the State. Not happy with ignoring and physically obstructing a democratically elected Government and its agents throughout the country, these people expect to employ the same strong-arm, thuggish, bully tactics in the Chamber. They are trying to destabilise the State with menacing, threatening behaviour and are hell-bent on obstructing the Government from doing its job, which it has been democratically elected to do, regardless of whether the Opposition Deputies like it.

It is disgraceful that the ordinary workers that Deputy Joe Higgins loves to depict, who are employed to install the meters and earn a decent day's wage are subjected to horrendous abuse from these so-called protesters. How can these protesters be proud of themselves? While it is their democratic right to protest, it is not their democratic right to intimidate people and obstruct them as they do their daily jobs. It is not a democratic right to spit, threaten and frighten. I know a young female engineer who was threatened with a baseball bat and told her face would be on it. People have been followed home and vilified on social media. These protesters are led by Sinn Féin, Éirígí and the likes of Deputy Paul Murphy and it is unacceptable. It is easy for the Opposition to shout and criticise-----

**Deputy Brian Stanley:** On a point of order, the Deputy has made a false allegation about my party.

**Deputy Mary Mitchell O'Connor:** I am sorry, but I am continuing.

**Acting Chairman (Deputy Catherine Byrne):** Will the Deputy, please, resume his seat?

**Deputy Brian Stanley:** Our party is involved only in peaceful protests.

**Deputy Simon Harris:** Since when?

**Deputy Patrick O'Donovan:** Is it? Ask Máiría Cahill about the keyboard warriors.

**Deputy Brian Stanley:** Our party would have no hand, act or part in such activities. On a point of order, I want Deputy Mitchell O'Connor to withdraw the false allegation she has made.

**Deputy Simon Harris:** We will ask Máiría Cahill what she thinks of that assertion.

**Deputy Mary Mitchell O'Connor:** Can I finish?

**Acting Chairman (Deputy Catherine Byrne):** Will the Deputy, please, take his seat? There is no point of order, even if he roars and shouts all he likes.

**Deputy Brian Stanley:** She has accused my party of being involved in that behaviour. We have not. She should at least be honest. We have engaged in honest debate and she should do the same.

**Deputy Mary Mitchell O'Connor:** Honest - the Deputy does not know what the word means.

**Deputy Brian Stanley:** The Deputy should hold onto her prejudice and deal with the facts.

We were not involved in those protests.

**Deputy Mary Mitchell O'Connor:** Sit down, please.

**Deputy Simon Harris:** He might stage a sit-in.

**Deputy Brian Stanley:** Hold to the facts and do not make false allegations.

**Acting Chairman (Deputy Catherine Byrne):** My job is to chair. I will give Members the time they have been allocated. There is no point of order and if the Deputy continues his actions, I will call the Ceann Comhairle to resume the Chair and he will deal with the Deputy.

**Deputy Paul Kehoe:** He might stage a sit-in.

**Deputy Brian Stanley:** Deputy Mitchell O'Connor has made a false allegation against me and I want the record corrected.

**Deputy Mary Mitchell O'Connor:** Sit down.

**Deputy Brian Stanley:** The Deputy should not wave her hands at me to sit down. She is not in charge here.

**Deputy Paul Kehoe:** The Deputy's bully boy tactics will not work here.

**Deputy Patrick O'Donovan:** Neither will a baseball bat.

**Acting Chairman (Deputy Catherine Byrne):** Members of the Government, please. Will Deputy Brian Stanley, please, resume his seat, or I will call the Ceann Comhairle? Deputy Mitchell O'Connor has an extra minute and a half.

**Deputy Mary Mitchell O'Connor:** It is easy for the Opposition to shout and criticise across the floor and out on the streets. Sinn Féin was a pretty sight in the Dáil last week, defying democracy in the Dáil, on the one hand, and denying child abuse, on the other.

**Deputy Simon Harris:** Hear, hear.

**Deputy Patrick O'Donovan:** It has gone quiet all of a sudden.

**Deputy Mary Mitchell O'Connor:** Deputy Paul Murphy was a national disgrace last weekend. Today, real politics and leadership were shown.

**Deputy Simon Harris:** Hear, hear.

**Deputy Patrick O'Donovan:** It is a pity Deputy Ruth Coppinger has decided to vacate the Chamber, along with the Fianna Fáil Members, who were crowing a while ago about the fact that the Minister for the Environment, Community and Local Government, Deputy Alan Kelly, was gone. Fianna Fáil has little interest in the €400 charge it was going to levy on people when it was in government. Deputy Ruth Coppinger referred to a sitcom that was on television in the 1970s and 1980s, "Only Fools and Horses". There was another BBC sitcom about a grumpy old man who opposed everything, Victor Meldrew. If she is going to draw comparisons, the leader of her party would fit this characterisation.

**Acting Chairman (Deputy Catherine Byrne):** Will the Deputy, please, stick to the motion?

**Deputy Patrick O'Donovan:** I am sticking to it, but I am addressing the point made by the now absent Deputy, who has run away to be with the said Victor Meldrew. I welcome the clarity provided. Irish Water has not been the Government's finest hour, considering everything else the Government has had to contend with since taking office. It has probably been the worst-managed issue. The manner in which it has been addressed today and the time that has been allocated to it will go a long way towards rectifying the wrongs that were done. I particularly welcome it from a rural dweller's point of view. Deputy Brian Stanley comes from a part of the country that is not dissimilar to my own, with a large number of people in group water schemes who are already paying for water. They do so in County Laois where there is also a large number of people with private wells. They will be obvious beneficiaries of what the Government has done today. I hope Deputy Brian Stanley will support the Government's initiative to help people in group water schemes and with private wells who have provided their own water for a long time.

Deputy Pearse Doherty is at the Select Sub-Committee on Finance talking about a land tax on farms and a wealth tax being reintroduced. Sinn Féin is resurrecting its land and wealth tax proposals. I know it does not have a lot of time for farmers and rural dwellers, but I do. The Government's initiative for people with septic tanks, in group water schemes or with their own wells is long overdue recognition by the State that some people have to provide their own water and do not have the services to which urban dwellers have become accustomed. In some ways, their taxes have been used to subsidise these services.

Perhaps Deputy Brian Stanley might acknowledge that a lot of people in County Laois pay for water. With Deputy Michael Colreavy, he might also acknowledge that those who have provided their own water for generations will benefit from what the Government is doing. I know that Sinn Féin will be telling people in counties Laois, Leitrim and Sligo how to access the €100 the Government will provide. At the same time, however, its Members will come into the House and criticise it. The party's total hypocrisy is unbelievable. What has it done in the Six Counties, as it calls it? It has deferred water charges but not abolished them. It deferred them until after the Westminster elections and will state it has struck a deal for voters against the "big bad Unionists." It will make sure there will be no water charges. It stated this about PSNI stations, rural schools and accident and emergency units in the Six Counties, yet it reneged on every single one of these promises. That is because when it is in government in the North it has to make tough decisions like Fine Gael and the Labour Party must do here. It knows that when push comes to shove, the little abacus - that runs in one direction with money only going out and never coming in - it is running down here does not work north of the Border. The reality is that somebody has to pay for services. No matter how many holes it digs in backyards, it will never dig up a crock of gold. It might dig up the Northern Bank money, but it will never dig up the elusive crock of gold it is promising people. It will never have to pay for anything under Deputies Gerry Adams and Mary Lou McDonald. Ask Máiría Cahill about the commitments of Deputies Gerry Adams and Mary Lou McDonald and they will get their answer from her. The reality is that when it comes to telling the truth - Sinn Féin has some history when it comes to telling the truth - it is not capable of telling people in this jurisdiction or the North one scintilla of the truth. That is because the populism it has paraded throughout the island in recent years is coming to an end. People are wising up to it.

**Deputy Michael Colreavy:** Ask the people - call an election; I dare you.

**Deputy Patrick O'Donovan:** It brought rapists and child abusers to this jurisdiction, yet its Members come into the House this evening to tell us about how we are going to run a water

system. Shame on it.

**Deputy Brian Stanley:** Shame on the Deputy.

**Acting Chairman (Deputy Catherine Byrne):** Deputy Patrick O'Donovan's time is up. He should resume his seat.

**Deputy Patrick O'Donovan:** They interrupted me also. For the first time in the history of the State, a Government has recognised the long overdue need for sewage treatment works and good quality drinking water. I, therefore, have no problem in supporting the Government's proposals.

**Deputy Michael Colreavy:** That is an outrageous allegation and the Acting Chairman should ask the Deputy to withdraw it. He is a scandalous hypocrite.

**Deputy Patrick O'Donovan:** Tell that to the woman who was here last week, you hypocrite.

**Deputy Brian Stanley:** The Deputy should pour some water over himself to cool down.

**Acting Chairman (Deputy Catherine Byrne):** Will the Deputies, please, show respect for the Chair?

**Deputy Patrick O'Donovan:** It is hard to show respect when there are so many interruptions.

**Acting Chairman (Deputy Catherine Byrne):** The next speaker is Deputy Denis Naughten who is sharing time with Deputy Billy Timmins.

**Deputy Denis Naughten:** I welcome the opportunity to speak on the motion before the House. It is wrong that some Deputies are going to be paid between €20 and €60 for water on foot of today's announcement. It is morally wrong that this is the case. This evening I have dealt with the case of an elderly woman with a profoundly disabled son who lives in a council cottage. She will pay €80 for water. Her next door neighbour, a single man who retired early and has come back from abroad, with a five-bedroom house and two reception rooms will be paid €20 by the Government for water. About 200,000 households with one single adult in rural areas will share a €4 million plus windfall on foot of today's announcement. That money could be used to provide 3,600 medical cards for sick children who are being denied them under the medical card system. At a time when we cannot fund these medical cards, it is morally wrong to hand out money hand over fist to people across the country for water. We are putting the cart before the horse in the proposals that have been published today.

People will pay for water and then receive a rebate if they can reduce their consumption, but that can only happen if they spend money on equipment and appliances. They do not have the money to do this. Instead of penalising those who blatantly waste water or fill up their swimming pools, we are asking people to pay up front and then try to lower their water consumption. The proposal was supposed to be about introducing metering to conserve water. The metering undertaken to date has cost €666 million. It will take 42 years to pay back the cost based on the level of water conservation alone. This is based on the Department of the Environment, Community and Local Government's own figures.

During the debate a lot of people have raised the issue of the poor water supply in County

Roscommon. One in four in the county has to boil water before he or she can drink it. On foot of today's announcement, however, people will still receive bills for water that they cannot drink. If they live in urban areas, they will still have to pay for water. Pubs, restaurants and other commercial users will only receive a 20% discount on their total water bills, even though they cannot use it - never mind the loss of business and the reputational damage being done to their businesses and their town.

There is a huge cost involved in providing a replacement water supply. We have heard that in Castlerea Prison €20,000 will be spent this year in buying bottled water. Roscommon Primary Community and Continuing Care which has a number of long-stay geriatric hospitals in the county will spend €14,000 in filtering its water supply. The people of Strokestown and surrounding areas in the north-east Roscommon regional water supply scheme will have to wait until August 2015 at the earliest before their boil water notices can be lifted. That is because Irish Water and its predecessor, the Department of the Environment, Community and Local Government, is and was not prepared to purchase temporary mobile treatment plants. Instead those living in the north-east Roscommon regional water supply scheme area must wait until the Roscommon central water supply scheme is upgraded. The mobile unit was installed two weeks after the boil water notice had been put in place. We will have to wait until the mobile unit is shifted up the road. We still have no commitment from Irish Water that it will happen. Instead of buying a number of mobile units, which could be used in other parts of the country when boil water notices are in place, and installing them in Castlerea, at the north-east Roscommon source and at the Killeglan springs, Irish Water and the Department of the Environment, Community and Local Government let the people of County Roscommon boil water for up to two years. It is unacceptable and the ethos is to let them suffer and continue to suffer.

At the same time, 45% of commercial water charges remain uncollected. Some commercial users are not paying for water at all. There is absolute confusion following the Minister's announcement about farm families and other domestic and non-domestic users of water about what will happen from April. From deciphering the speech of the Minister, it seems people will get two water bills. One will apply to non-domestic or commercial water and the other to the so-called free domestic allowance people had been receiving until now. People do not know what is going on and it is adding to the confusion rather than clarifying the position.

When the Irish Water legislation was introduced this time last year, the only two Opposition Members in the House were Deputy Billy Timmins and me. At that stage, the vast majority of people were prepared to pay for water but not for inefficiency or profits at Irish Water. Instead of a commercial semi-State company, we should have established a not-for-profit organisation. We have plenty of experience of that in the country. We could take the public utility into public ownership and make it democratically accountable to the House. That option was refused in the House this time last year when Deputies Billy Timmins, Michael McNamara and I raised the point. The reality is that Irish Water is not working and the result is inefficiency, confusion, increased administrative costs and a loss of public trust. The rush to get Irish Water up and running by the politically driven deadline of 1 January 2014 gave us a cobbled together structure with weak foundations and which is unaccountable to the public.

**Deputy Billy Timmins:** It was depressing to listen to some of the contributions prior to Deputy Denis Naughten. The Irish Water board members should resign and, if not, should be sacked. The Minister did not mention the board although he mentioned at the press conference afterwards that new positions will be advertised tomorrow. The board, which should ensure policy is carried out notwithstanding that the legislation was naked in respect of policy, should

resign forthwith. In so far as there is any crossover between the boards of Irish Water and Bord Gáis, the people involved should resign and, if they will not, they should be fired.

The Joint Committee on Environment, Culture and the Gaeltacht should carry out an investigation on the debacle, starting with the Irish Water forum and its various proposals, which may have been changed due to union involvement and intervention from various Ministers right up to today's announcement. If today's motion was tabled by the Technical Group, Sinn Féin or any other body in the House nine months ago, it would have been laughed out of court. It shows how bad things are that Government speakers welcome it while acknowledging the mistakes that were made. The motion is an indication of how poor the Government has been on this issue.

Just before Christmas Deputy Denis Naughten and I were debating the Bill in the House. It is a case of the ghosts of Christmas past. I see Deputy James Bannon is in the Chamber and he also came in on that day. I pointed out that the legislation would come back to haunt the Government. I am not being wise after the event. Deputies Michael McNamara and Michael Creed made contributions on behalf of the Government and Deputy Denis Naughten also spoke but received no airtime or coverage because Luke "Ming" Flanagan had carried out a stunt in the Dáil using a container of water from County Roscommon. That stunt does not serve political debate or the House well because it disguises the serious issues, which were not covered by the media. The serious flaws in the legislation were not covered until the marches took place, notwithstanding the fact that many Members from the Government side knew the situation after the local elections.

We arrived today because the Government showed a lack of respect for the House and, by extension, a lack of respect for members of the public. The Government did so by passing legislation with no detail and giving inconsistent and inaccurate information. Incorrect figures and allowances were given and we now have the laughable situation where some of the wealthiest people in the country, good luck to them, will end up in an enhanced financial position as result of the motion. People on group water schemes will end up being paid money for the privilege of taking water. The two main planks of Government policy were to repair the network and conserve water. I see neither policy in the motion, which I will not support.

Irish Water sprung from NewERA. The former Minister of State with responsibility for NewERA, Deputy Fergus O'Dowd, was recently replaced, by whom I do not know. Do we have a Minister for NewERA? What has happened? It was one of the great planks of Government policy. Deputy Fergus O'Dowd penned an article outlining the shortcomings of this before the debacle and, from talking to people who were at the meetings, my understanding is that the Deputy pointed to the many shortcomings of the legislation, including the lack of detail, long before it was debated on the floor of the House. However, he was dismissed.

In 1863, when the Vartry scheme was introduced by the British to bring water to Dublin and the pipeline to Greystones and Bray, it was debated for five weeks in the House of Commons and seven days in the House of Lords. It caused difficulties but at least it was given time. It cost 12p for 800 gallons or less and 11p for every 1,000 gallons over that on a sliding scale. At least the debating time was given to it.

The Government has turned a good concept into a monster. If I leave my tap running or hose down my car while someone next-door conserves water, is it fair that we pay the same? I believe in the concept of water metering and water charges. I always believed in it on the basis

of an educational timeframe and a grant scheme to enable the installation of grey water and dividing grey water and potable water in order that an individual knows how much grey water and potable water should be used on average. The potable water for basic necessities should be given free and anything above that, irrespective of what it is used for, should be charged. The vast majority of people would have gone along with that. Our current scheme does not work, with over 34 authorities dealing with one utility. Can we imagine if there were 34 companies like Bord Gáis or the ESB? How the Government managed to make such a mess of it is indicative of the disdain in which it has held the public over recent years due to the large majority in the House. I hope the Government has learned a lesson and the arrogance reflected in the process ceases. With policy implementation in the coming year, I hope there will be a more humane approach with greater respect for members of the public. That is all the public asks. I do not believe the measures today will win political kudos for the Government. On the contrary, when the shortcomings of the legislation are picked out and people analyse how poor the policy is relative to what it should be, they will pass harsh judgment on the Government. I know many of my former colleagues - they are fine individuals - will suffer as a result of the mistakes of a few, which I regret. A few in the Cabinet have collective responsibility for this difficulty.

There are a few specific issues I would like to raise. Deputy Denis Naughten mentioned the commercial position and I submitted a parliamentary question yesterday dealing with commercial responsibility being handed over in 2015. I could not ascertain from the response what would be the charges but in his speech today, the Minister indicated that the regulator would decide a charge. Wicklow has the highest charge per cubic metre in the country and there is a very high standing charge. The charges should be standardised. In places like Arklow - and there are 20, 30 or 40 such places around the country - there is no proper sewerage scheme in place so where do the people in those towns stand? The Oireachtas cannot be treated like this.

I emphasise that the board should be sacked. Violence has taken place and I find it reprehensible that some Members did not have the decency to condemn the violence that we saw not alone in Tallaght but in many locations. People have deliberately manipulated the vast majority of decent, honest people who wish to protest in a peaceful manner but they have been let down by so-called political leaders.

**Acting Chairman (Deputy Catherine Byrne):** Deputy James Bannon is sharing time with Deputy Brian Walsh.

**Deputy James Bannon:** After many long weeks and months discussing Irish Water, I am glad that a clear certainty has been brought to the debate. I commend the Minister for the Environment, Community and Local Government, Deputy Alan Kelly, and the rest of the Cabinet for introducing what I would describe as a reasonably fair package. We have all heard the reasons we must invest in our water system but it is important to reiterate some matters.

We are spending €1.2 billion to maintain a broken water system, as 49% of all treated water goes in leaks and there are 20,000 people throughout Ireland on boil notices for water, including many families in the parishes of Newtowncashel in County Longford and Rochfortbridge in County Westmeath. There are 42 communities discharging raw sewage into local rivers and lakes. It was mentioned by the Minister today that more than 800 km of pipeline in Dublin is over 100 years old, and the same can be said for rural Ireland, which has examples of antiquated pipe structures in many areas of the midlands dating to the 1940s, 1950s and 1960s. In some cases, these pipes for water delivery to communities contain asbestos or lead. We have been operating a system not fit for purpose and which has been neglected by successive Governments

through the years. That is unacceptable.

In this day and age, an adequate water infrastructure should be in place for all the people in Ireland. Over the past number of months I sat in this Chamber across from the Fianna Fáil benches, although none of those Members is present this evening. I have found their rhetoric on Irish Water stomach-churning, as they lambasted the Government in the Chamber and held meetings throughout the country in an attempt to lead the opposition to water charges. Ultimately, when everything is said and done, Fianna Fáil signed the deal with the troika and wanted to charge Irish people €400 per year for water. Records can prove that fact.

With Sinn Féin, it is a case of the left hand not knowing what the right hand is doing. The party's Members either do not know or choose to ignore how much it costs to run our water system while the party introduces water charges across the Border at a rate of £280 per house. The party has repeatedly insisted that the €300 million it allowed in its pre-budget submission here to cancel water charges would cover all the costs, ignoring that €850 million per year would be needed to fund and invest in our water system. Deputy Pearse Doherty has twice conceded that there is a €550 million hole in Sinn Féin's costings on Irish Water but has said it does not matter because the economy is growing. He is right about one element, as the economy is growing thanks to this Government's effort and the creation of more than 70,000 new jobs in the past year. The Independents include Deputy Paul Murphy, who must be condemned for his antics in inciting hatred at a peaceful protest, which put the lives of our women, children and elderly people at risk. There is nothing wrong with peaceful protests and I have always welcomed them through the years. People are entitled to protest in an orderly and civilised manner.

The Government has listened to people describe the pressure people are under around the country. I have stated time and again in the House that this sacrifice has allowed the economic recovery to happen. As the Minister, Deputy Kelly, mentioned earlier, we have provided certainty, simplicity and affordability in the measures introduced today. For a family household, the absolute maximum net cost will now be €3 per week and for a single household, the net cost will be €1.15 per week. Affordability is a key principle within this package and it will underpin all future Government policy on water charges. There will be legislation for capping to ensure it will remain after 2019.

Another key principle underpinning this package is the concept of water conservation, which is vital for Ireland's future. Metering is key to measuring the amount of water used by a household, and meters will allow people to beat the cap and pay even less for water through conservation measures. Meters can only reduce bills and are essential in finding leaks. I remember a number of years ago, when Longford County Council charged me for water used in my business, the first bill I received was for approximately €1,500. When I questioned this, the meter reading indicated that I had many leaks on the farm, which I went about repairing. The following year, the bill was reduced to approximately €327 because I had fixed the leaks. That was a costly reminder to get the house in order.

Another matter that has caused concern to people is the possibility of Irish Water being privatised. The current legislation is sufficient in terms of addressing that but I am pleased to see that the Minister is further reinforcing legislation by requiring any change to be put before the people of Ireland through a plebiscite. Irish Water will never be privatised without the consent of the Irish people and it is important we make that clear to everybody. The public was rightly annoyed about the high cost of setting up Irish Water and I cannot disagree with that. I am glad that the bonus culture aspect of Irish Water has been completely eliminated.

It must also be noted that this country has higher rainfall levels than most other EU countries.

*10 o'clock*

We should encourage more people to harvest water. I would like to have seen provision made for further grant assistance for the harvesting of water, as it is effective in obtaining water for giving to farm animals, watering gardens, washing cars and doing other chores.

I congratulate the Minister on providing greater clarity and making this package reasonable. In the past 12 months we have made efforts to improve infrastructure in my constituency of Longford-Westmeath, and this time last year I got €1.2 million to upgrade the regional water supply in County Longford. I got €4.13 million for the rehabilitation of Mullingar water mains in County Westmeath. In the coming months and years, major projects will need to be funded in my constituency and I hope funding from Irish Water will improve infrastructure there. Water infrastructure will be very important for Ireland in the future. It is important for jobs and investment and it is a priority for the people.

**Acting Chairman (Deputy Catherine Byrne):** I am sorry to disturb the Deputy, but I must now adjourn the debate until tomorrow morning.

**Deputy James Bannon:** I thank the Acting Chairman.

Debate adjourned.

The Dáil adjourned at 10.05 p.m. until 10 a.m. on Thursday, 20 November 2014.