



DÍOSPÓIREACHTAÍ PARLAIMINTE  
PARLIAMENTARY DEBATES

**DÁIL ÉIREANN**

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

An Bille um an gCeathrú Leasú is Tríocha ar an mBunreacht (Uimh. 3) 2014: An Dara Céim (Atógáil) [Comhaltaí Príobháideacha] . . . . .	2
Thirty-fourth Amendment of the Constitution (No. 3) Bill 2014: Second Stage (Resumed) [Private Members]. . . . .	2
Leaders' Questions . . . . .	21
Message from Select Sub-Committee . . . . .	32
Water Sector Reforms: Motion (Resumed) . . . . .	32

## DÁIL ÉIREANN

*Déardaoin, 20 Samhain 2014*

*Thursday, 20 November 2014*

Chuaigh an Ceann Comhairle i gceannas ar 10 a.m.

*Paidir.*

*Prayer.*

---

### **An Bille um an gCeathrú Leasú is Tríocha ar an mBunreacht (Uimh. 3) 2014: An Dara Céim (Atógáil) [Comhaltáí Príobháideacha]**

#### **Thirty-fourth Amendment of the Constitution (No. 3) Bill 2014: Second Stage (Resumed) [Private Members]**

Atairgeadh an cheist: “Go léifear an Bille an Dara hUair anois.”

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

**Deputy Joan Collins:** I support the Bill proposed by Sinn Féin and I believe we have a right to raise these issues in the Dáil Chamber. It has been claimed that the Water Services Acts of 2007 and 2013 prohibit the shareholders of Irish Water from disposing of their shares. However, we have now learned that this legislation can be changed by any Government. That is why it is important that the Government listen to Deputies on this side of the House and to the people, who are hugely concerned about the privatisation of our water. We want our water services to remain in public hands. On Tuesday evening during the Private Members’ debate we were told that public ownership of water could not be enshrined in the Constitution because of property rights. However, I would remind Members on the other side of the House that there are responsibilities as well as rights associated with property. On Wednesday we were told that, just to be sure that the ownership of our water services remains in public hands, the Minister for the Environment, Community and Local Government proposes to legislate to ensure that if any future Government sought to change this position, it would be required to put the matter before the people in a plebiscite. This is contrary to what was said on Tuesday evening - namely, that this could not be done.

It is really important to enact this legislation because the people have demanded it. The Government is supposed to be listening to the people, and it has announced its intention to set up a 60-person listening body. If such a body was set up - which I do not think would work - the first thing the Government would hear is that the public wants a referendum to ensure that our water remains in the hands of the people. The Government should take this on board, con-

sider it carefully and bring it to the people. If the Government is really serious about calming peoples' huge concerns it would do so.

It seems there is no end to the fiasco concerning Irish Water, water charges and the Government's handling of the issue. The Minister should take this Bill on board. He has spoken about doing something in the future but he should act now.

**Deputy John Halligan:** Many people will take with a pinch of salt yesterday's assurances from the Government that legislation is coming which will ensure a referendum will be required to privatise Irish Water, because the Minister, in the same breath, washed his hands of people who have said that they will not pay the charge. Asked whether people who do not pay will be taken to court, he said it was a matter for Irish Water. It is becoming abundantly clear that the Government is making this up as it goes along and is quite content to change the script to suit itself. Another case in point is the fact that meters are now effectively redundant if capped charges continue. So much for water conservation. The concessions announced yesterday will result in the accumulation of massive debts by Irish Water over the next four years. The Government has said it will make up the gap in revenue to the tune of €84 million to €87 million per year. Obviously that money will be diverted from already crippled public services.

It is a fact that we have no guarantee that a future Government will uphold the decision to prop up Irish Water. The Government made a commitment yesterday that no privatisation would take place without the consent of the people, but it failed to recognise in any way that water was a basic human right that should be kept under democratic, rather than commercial, control. That failure sends a clear message to working class people, from whom the Government is far removed, that it clearly regards water as a commodity which will be far beyond the reach of the 26% of households with two adults and two children who are living in deprivation. This figure was recorded in 2011 and I have no doubt that the proportion now far exceeds 26%. When concessions end in 2018, householders will face much higher bills to make up for the loss of revenue. I have no doubt that the picture painted for the public at that time will be that privatisation is the only sustainable option; hence the decision announced by the Government yesterday. Its proposals are the very building blocks that will push the privatisation of Irish Water. The concessions made yesterday will push Irish Water into insolvency and eventually make privatisation inevitable.

**Deputy Richard Boyd Barrett:** The Government's gymnastics on the issue of privatisation cannot mask the reality that, with the establishment of Irish Water and a charging regime, privatisation has already started. Its assurances are completely worthless. It should consider the reality of Irish Water. Some €500 million is to go mostly to Denis O'Brien's GMC/Sierra to install meters. Some €175 million will be spent by the end of 2015 on consultants and private contractors. Private landlords are now to be the debt collectors for Irish Water. Effectively, Irish Water is already the property of the consultants and big contractors and even private landlords are acting as its agents. The company is being privatised.

One of the most shocking aspects of Irish Water that has still not been fully taken up in the general discussion on what is occurring but which should ring alarm bells in a very major way is evident in the customer terms and conditions agreement. It states: "The Customer shall not allow the discharge of rainwater run-off from roofs, paved areas or other surfaces into any Sewer, except as may otherwise be agreed in advance with Irish Water in writing". This is the legal basis for Irish Water to claim ownership of the rain that comes from the sky onto people's roofs. In Bolivia and the United States, once private companies entered into the picture and

water services fell under a legal private entity, as is Irish Water under the Water Services Act, they claimed ownership of rainwater and had inspectors going around to people's houses telling them that the water running off their roofs was their property and had to be paid for. The condition I have quoted establishes the legal basis for such a regime here. I bet the Minister of State, Deputy Paul Kehoe, has not even read it. This is what the Government is up to and the people will not buy it.

**Deputy Clare Daly:** The starting point for this discussion has to be that access to water is a human right and access to it should be based on need rather than ability to pay. The provision of the service does cost money. We know this because we have paid for it through a central taxation system. The idea that water would be treated as a commodity to be profited from is absolutely reprehensible to most citizens. They are not stupid and know that the experience of privatisation has been incredibly bitter. In some instances, it forces the renationalisation of a service because a hames has been made of the process. When Paris was forced to renationalise the service, it saved €35 million straightaway. If one privatises a company, the fat cat salaries, bonuses and profits have to be covered. Who pays for them? The cost is borne by those on whom the bills are levied and also by a creaking infrastructure that does not benefit from the investment it deserves because the money is diverted to those at the top.

The doublespeak of the Government on this issue in recent weeks and months has been firmly exposed through the measures announced by the Minister for the Environment, Community and Local Government, Deputy Alan Kelly, yesterday. The mantra was that the service was protected and could never be sold or privatised based on the legislation already in place, but this has now been contradicted by the Government. It is admitting there is a need for another provision. Rather than making a decision to this effect or allowing the people make the decision, at a time when they have never been more engaged in an issue in their history, the Government is including some wishy-washy clause stating a future Government can deal with this issue.

The Sinn Féin motion is timely and absolutely appropriate. An interesting lesson the Government would do well to remember concerns what happened in Bolivia. In that country water privatisation resulted in a quadrupling of the price. Not only that, the political fallout from the mishandling of the water issue resulted in a political transformation of the country. Our history will follow in its path.

**Deputy Áine Collins:** Every Member of the Oireachtas agrees that Irish Water should always remain in public ownership. Of all the public resources, water is the most important for citizens. However, in order to have sufficient, safe and accessible water, the Government recognises the need for substantial investment after years of neglect. There is no point in protecting something in the Constitution if sufficient and safe water is not available in the first instance.

Irish Water can demonstrate that after installing 500 water meters, 22% water is being used by 1% of houses. This statistic is frightening. It is just incredible and highlights again the need for the water issue to be addressed. The Government has made it clear that Irish Water must always remain in public hands. Every party, Independent Member and representative believes this. The Minister announced appropriate mechanisms yesterday to ensure this would continue to be the case. The Government, despite the financial crisis, resisted pressure from the troika to sell off State assets such as ESB Networks and Coillte. The nation has learned from the lessons of the past. A huge mistake was made when Fianna Fáil decided to sell off Eircom. We are still suffering economically as a nation because of that decision. We see this every day with the slow rolling out of broadband around the country, particularly in rural areas.

The Minister's announcement yesterday will go a long way towards satisfying people that, in setting up Irish Water, we can now provide safe, affordable and accessible water to all. I commend the Government's position.

**Deputy Mary Mitchell O'Connor:** The commitment to public ownership of water services was enshrined in legislation in 2007 and reaffirmed in the legislation introduced last year. Irish Water will remain in public ownership. I will not waste my breath discussing whether it will be privatised because we all know that will never happen. Even the Opposition knows it. Therefore, let us stop wasting time.

The Government lives under the rule of law, not one of kangaroo courts and grandstanding theatrics. It upholds the rule of law, unlike Deputy Paul Murphy and his cohorts, yet we sit here debating a motion tabled by the Sinn Féin Party which violates parliamentary rules one day and invokes them the next. It is used to this and believes it can waste our time with this item of business. This is another deflection from Sinn Féin's own unsettling issues, just like Deputy Mary Lou McDonald's theatrics in this Chamber last week which deflected attention from the sexual abuse of Máiría Cahill. I find Deputy McDonald's *à la carte* approach to the rules of this House deeply troubling. I can only speculate what this might mean for the country were she, or Sinn Féin, ever to get near power. The approach of Sinn Féin to this House is not surprising. Today's business is obviously a diversionary tactic, costing the taxpayer money, and I will not waste another minute discussing the Bill. Irish Water will remain in public ownership.

**Deputy Tom Barry:** This is a very important issue. As we all know, water is vital, but we have seen many people use it as a political tool. It is a plentiful resource but, unfortunately, providing it to people in their taps requires much effort. I hope the result of what we have seen over the past while will be the start of a proper water service and that, like our broadband service, this service will be put together from scratch. We have worked on depreciation for the past number of years and have seen no investment in this critical infrastructure.

The people who pay for water already know the value of it. People might say it is a human right, but so too is food, which one does not get free. We have had to make huge efforts to ensure we have high-quality food. Now that this issue is settled and we have seen the very affordable proposals, I think people will appreciate what we have done and will say that in the longer term it is important to build up our infrastructure. That will take many decades and I hope it will provide much valuable employment for people.

I welcome the opportunity to speak on this Bill and look forward to the results of the work we have done. I hope that in the future, when we have all moved on, what we have done in this regard will be recognised as something pivotal for this country that will be very valuable in the long-term.

**Deputy Michelle Mulherin:** I welcome the Government's announcement yesterday of changes to water pricing and to Irish Water. Without a doubt, the cost of water and the fear of not being able to afford another bill has been to the fore in the minds of most people. The suite of changes set out by the Minister shows that considerable depth of consideration has been given by the Government to concerns articulated in regard to certainty and affordability, including issues of governance at Irish Water.

Clearly, we have massive infrastructural problems with our water and sewerage systems, which have not been addressed in a meaningful way over the years. The previous system in

which local authorities operated as sanitary and water authorities was not in a position to address the considerable shortcomings. Forty-two towns in this country have no wastewater treatment facilities and many of them are in designated environmentally sensitive areas. One hundred and sixty-two urban wastewater treatment plants are operating currently while awaiting licences. They must be licensed by the end of 2015 but they are in limbo because, in most cases, remedial works are required at the very least. In the meantime, our rivers, lakes and coastal areas are being polluted and we face the threat of prosecution, fines and other sanctions. There are problems and knock-on effects for citizens in terms of a proper and adequate water supply and the treatment of sewage. These are no small things, even though I have heard them referred to very glibly in this House during the course of debate. As responsible citizens, we must address these issues. Our well-being is connected to our environment. Not only do we need water, but we need a safe environment and we must be environmentally responsible. We must ensure we have proper wastewater and sewage treatment facilities. As a modern country, society and economy, if we want to attract people here to invest in business and provide a healthy environment for our people, this investment must be made.

I am glad to see the three-year capital investment plan Irish Water has set out. For years, my county has had different wastewater treatment schemes, water schemes, etc. on lists which could never be dealt with because we did not have a rates base to provide a polluter-pays contribution. The environmental degradation is real, as is the lack of proper water. There is no other tenable and viable solution here, so I welcome the changes made. In my own town, €5 million has been spent on fixing leaking pipes. Local authority workers were out every other day fixing pipes, which was such a waste of resources. Substantial businesses were without water, as were whole housing estates. When one looked into the ground, one could see that the pipes had simply melted away. There was no way that was going to be addressed in a comprehensive fashion, so I welcome the expeditious implementation of the capital programme which is very necessary and will reap benefits for our citizens in the long-term.

With this particular saga or debacle in regard to Irish Water, the natural fears that people expressed highlighted the conflict of ideologies in this Chamber. However, it is worth remembering that this is an open market economy and we draw benefits from capitalism. Even the proponents of socialism want to draw benefits from capitalism. They want foreign direct investment and the taxes we glean from it, so there must be a reality check.

I refer to the violent nature of some of the protests, which was condoned by some Deputies. Where people desire socialist ideals, they should realise that they must be pursued through democratic means, because if one destroys our democracy in the course of trying to achieve something, what is one left with? That is not socialism. We can try to implement socialist ideals, some of which are worthwhile or worthy, but we should not undermine our democracy in the process.

It is always worth remembering that, in many ways, democracy is about how we try to persuade people as to the merits of our case. We persuade people with words and language, and there are very many articulate people in this House. It is never about force or banging somebody on the head and saying that he or she must follow a certain way; it is always about persuasion. That is why I was very alarmed to hear Deputy Paul Murphy suggest that it would still have constituted a peaceful protest had the Tánaiste been detained in her vehicle for 12 hours. Is this really being presented as some democratic endeavour, and to what end? The Tánaiste has her own well-founded and deep-rooted convictions about her position, so should she be bullied and intimidated into changing them? Is that what we are talking about?

The aim of the revolution we are being told about is to cause civil strife, uproar and, ultimately, anarchy, which is the only place I can see it all ending up. With anarchy, there is the destruction of so many freedoms we enjoy. We must obey the law of the land. Democracy is exercised in this House and we should reflect on it and not throw it away. Members of this House have a platform and they should show leadership. The sort of carry-on we have seen is not democratic. The country has been through a great deal in recent years. We should take stock of the economic recovery and what it will mean for people. It will allow us to self-determine. The objective is to ensure people can get back to work to sustain their families and that is the direction in which we are moving. Considering the precipice we were on economically, there was no assurance that we would come out of the doldrums or the black place we were in, but we have done so and should focus on the positives. We know that there is more we need to do as we strive to address all of the concerns and problems such as housing people and so on. Of course, water charges are not popular, but let us consider the social benefits that we will reap now and in the future. Already the plans for County Roscommon are being implemented. People have been told that they will benefit from them in the short term and the future and I fully expect this to be the case. We will all reap the benefits in the end and are building something for the future. We are addressing problems which under the previous system could not be addressed. Let us not be swatted from our goal of returning the country to its productive best by those who talk but have no clue what to do.

**Deputy Dessie Ellis:** I am pleased to speak about this important Bill submitted by my friend and party colleague, Deputy Brian Stanley. It stands apart from all of the other arguments about Irish Water. It is not about Irish Water's gross mismanagement or the oppressive tactics of the State in pushing ahead with the installation of water meters. It is not about protesters, water balloons or being stuck in a ministerial car. It is about one thing: public ownership of the water system. Public ownership is crucial if we believe in the right to access water. A private company is not about a rights-based provision but about profit. Water provision should not be about profit, in circumstances involving water charges or otherwise. Access to clean drinking water is the right of every citizen and this right can only be upheld by a body in public ownership. The Bill seeks to ensure this would be the case. It seeks to allow the people to affirm this right by making it a constitutional requirement for Irish water to remain in public ownership and by ensuring that if any subsequent Government seeks to change that position, it would have to go to the people on the matter. That is rather simple and fair, is it not? Ensuring such an important decision cannot be made by a Government on a whim when it decides it no longer needs to uphold its promises is responsible. The ultimate expression of democracy is putting this decision in the hands of the people only. I wonder if a similar approach had been taken in the case of other momentous decisions in the past whether we would have been in the mess we ended up in with regard to bank bailouts and bondholders.

It seems that the Government has accepted this point, despite the spin that Irish Water was protected from privatisation. This was obviously rubbish given the record of the Government in protecting public services, as well as the number of times it has attempted to fly kites about privatisation. The Minister for the Environment, Community and Local Government, Deputy Alan Kelly, spent the past three years in the Department of Transport, Tourism and Sport with the then Minister, Deputy Leo Varadkar, hammering nails into the coffin of CIE; forgive us, therefore, if we exercise great caution in respect of his promise to protect Irish Water. The plan to privatise 15% of bus routes throughout the country and 100% of Bus Éireann routes in Waterford is an indication of why we need this Bill. The clear fact is that the Water Services Act does not protect water services from privatisation and to claim as much is to play the people

for fools. Irish Water could be privatised on the whim of the Minister for the Environment, Community and Local Government and the Minister for Finance with the consent of the Cabinet. Given the disposition of the Minister, Deputy Alan Kelly, and his party, with its history of back-flipping on its promises, it is far from secure. It is also worth noting that the Minister's promises to personally protect Irish Water are not of much use, given the likelihood that he and his party will be back after the next election.

Yesterday the Minister went further. He now says legislation will be put in place to ensure a plebiscite, as he calls it, would have to be held to privatise Irish Water. If that is only included in legislation, the legislation could be amended and the relevant section deleted to provide for easy privatisation by a future Government. The Government is proposing a flimsy version of our proposal. It is definitely an improvement, but it is not good enough. The people have a right to protect Irish water from privatisation. They should be allowed to exercise that right as soon as possible and if any future Government wishes to change or go against the decision of the people, it can put the matter before the public.

What is the Government afraid of? Public ownership of water services is in keeping with the will of the people and "if any future Government sought to change this, it would be required to put the matter before the electorate through a special referendum." These are the words of the Government which should put the essence of these words into action, support the Bill and the holding of a referendum on public ownership of water services. If it was really dedicated to protecting the service, it would join us in the campaign for its protection.

**Deputy Peadar Tóibín:** From the outset of this debacle the Government has stated time and again that water is a scarce resource and that people need to conserve it. It had the willing ear of the people on the issue and people have generally been progressive on the issue of water conservation, yet when we ask Ministers to set out the Government's water conservation strategy, we get little by way of response. The Minister for the Environment, Community and Local Government tells us that a comprehensive water conservation programme will be undertaken by Irish Water and that it will cover the full spectrum of measures, including conservation-related customer awareness and education campaigns. Considering the hundreds of millions of euro paid by Irish Water to consultants, the Minister could forgive those of us on this side of the House for having high expectations of such a strategy. Sadly, none of these millions has conserved one drop of water. In reality, it is simply conserving the lifestyles of the consultants in question.

Like the Labour Party leader and Tánaiste, Irish Water has taken a reductionist approach to water conservation. The much heralded strategy is merely a short list of patronising instructions. Has the Minister seen the website? I could not believe it when I saw it; I could not get over what was written on the website. There were instructions telling people to shower less and turn off the tap when brushing their teeth. This does not amount to a strategy, even by the Government's low standards. If I were to walk into any primary school first class classroom today, I would be able to create the same list for far less money.

Behavioural change is just one element of water conservation. Arguably, if the Government was serious about changing behaviour, it would have proposed a system that would provide people with an annual allocation of sufficient water to meet their daily needs, charging only for excess water used. When we press the issue with those in government, they tell us that the Irish Water capital investment plan sets out a water conservation project. This is a grandiose description of what the rest of us normally call investment in critical infrastructure. I am referring to



the capital investment in which governments normally gets involved, especially in times of economic crisis. It is a capital spend funded by taxation. Speaking at a meeting of the environment committee last month, Mr. Paul McGowan of the Commission for Energy Regulation told the members that the regulator has a function in respect of the conservation of water resources and that the greatest area of water conservation is reducing leaks. It is as plain and as simple as that. Despite Deputy Joan Burton and her party colleagues' insistence that the need for water charges is the result of feckless citizens leaving their taps on night and day, the dogs in the street know who is really at fault for the vast amounts of water wasted within the system.

The trickle of investment by the Government in infrastructure over the past number of years is the root of the problem. We saw a massive collapse in capital investment when the Government came into power. We have never previously seen a collapse so large. Capital spending is what is necessary in this case but instead we have seen the fiasco factory that is the Government create a tin-pot corporate entity called "Irish Water" to do the job for it. The Government has separated the job from itself. Citizens are very aware of this. If we had real political leadership at the helm of Government, the positive attitude toward behavioural change could have been harnessed. As with wind energy, the Government's ignorant policies have actually soured public opinion in respect of what should have been an easy win.

If the Government was serious about conserving water at household level, it would be incentivising families to adapt their homes to benefit, for example, from the harvesting of rainwater. There would not be a new build in the State that did not have a rainwater harvesting system providing water for toilets and outdoor taps. The bottom line is that the Government does not give a whit about water conservation. No matter how often it denies it, the decision to off-load the State's water infrastructure to a corporate entity is an ideological one. Not only are they failing to be the guard dogs of Fine Gael in government, but Labour Party Ministers are pushing the ideological fight for the privatisation of these important public services.

**Deputy Martin Ferris:** It is very interesting that we are debating the Sinn Féin proposal to protect a public water supply in the hands of the people during what has perhaps been the most dysfunctional performance by any Government in the history of the State. I stress that it is absolutely dysfunctional, totally uncaring and without any concept of what it means for ordinary decent working class people who strive to put food on the table for their children and families to introduce a water tax charge. The Government does not care what people think about introducing water charges, installing water meters or the right to water in the Constitution. The Government does not care what people think about spending €500 million to install meters while paying €85 million to unaccountable consultants.

Everybody, including Sinn Féin, wants conservation but we also want our water supply protected in public ownership. The public believes in this and wants it. The history of the Government and the battles surrounding social welfare payments, privatisation of bus routes, the attempt to privatise Coillte and the breaking up of the ESB created an uproar out there. The track record of the Government is about privatising all public services for the benefit of selfish vultures who want to capitalise on them.

We are arguing for a referendum, which is what the Labour Party mentioned a few weeks ago. It is a referendum to be put to the people to guarantee the continued ownership of a natural resource vested in the Irish people. A referendum would go a long way towards assuring people and giving them confidence that the public supply of water will be protected in future and only reversible by way of a referendum. The Government proposes a form of legislation with an in-

dication of a plebiscite. Legal experts to whom I have spoken have said this does not guarantee indefinitely the ownership of water in the public domain.

I would have thought the Labour Party by its utterances in the past and its voting record in the Seanad in recent weeks would have been supportive of this proposal from Sinn Féin. Unfortunately, that is not the case. I say that with regret because it should be in the interests of all people who claim that they are socialist to protect public services, public utilities and public resources in the public interest. Instead, the Government, including the Labour Party, has gone down the road of placating selfish vested interests who seek to capitalise on the resources that belong to the people of the State. We have seen it happen with our offshore resources. We have seen the performance of the Labour Party in the House when Deputy Pat Rabbitte was Minister. I was in opposition to him when he defended the interests of oil companies against the interests of the common people and the common good.

The Labour Party has a chance today to redeem from the electorate and the people some of the faith it has lost. It has that choice but its track record suggests it will make a choice that is not in the interest of the people. Its choice will be in the interest of the vested interests to which the party has succumbed since it came into government. I hope it will have the courage of past convictions by standing up here to defend the protection of Irish resources in the interest of the people by supporting a referendum to constitutionalise this debate.

**Deputy Seán Crowe:** I do not know if the Government will listen on this. People marched on two issues. One was the charges themselves and the demand was to abolish them. The other concern was around privatisation. Clearly, there has been a huge shift in opinion in Irish society. The Government has tried to respond to that shift. There were by-elections and large numbers of people came onto the streets. I heard from people on the doorsteps as a local representative in Dublin south-west that this is a tax too far. It was not only people from a Sinn Féin background who said it, but those from Fianna Fáil, Fine Gael and Labour Party backgrounds. They were quite familiar with the argument that they are already paying for water.

The debate is supposed to be about bringing more clarity to matters. We were told yesterday that there would be more clarity, but there is still confusion and people still do not know what they are being asked to do. What we heard yesterday was a lure. As the fish, one will grab the lure and the next thing is that the gaff will pull one out on the bank to be left with this charge. People have choices. Yesterday we went through a farce with the Minister. We were told about conservation and a cap and then we were told that there was a possibility that one might save money by adopting various measures. According to the Minister, Deputy Kelly, we could save some euro. When we had this conversation, we asked how we could save money. If one does not flush the toilet one might save some water. One could avoid running the bath and skip having a shower the odd day. The Minister is nodding his head. When washing one's teeth, do not rinse. Given that it is the month of "Movember" one could maybe grow a beard. Do not wash the windows; it might allow clarity in.

**Deputy Alex White:** One might be able to see out.

**Deputy Seán Crowe:** Maybe we could drink beer. In the Middle Ages it was common to drink beer when one could not drink the water. Maybe not washing one's clothes is an option. Those in a better financial position than ourselves might not fill their swimming pools. They could fill the hot tub with rainwater. One could eat cake; one would not have to boil one's spuds or pasta. The steamy Irish Water saga continues. We could face a future in which people share

showers and baths. In case my wife is listening, I do not want the tap end.

We have been promised clarity. Although people may accuse me of being flippant and failing to address the issue, I am deadly serious. It is a tax too far, and the Government needs to take the message on board. The Government says it is listening to people: they are saying this is a regressive tax.

People do not believe the Government when it says water supply will not be privatised. Privatisation is the hidden agenda, and it is happening across Europe. There is no real explanation of what the Government means by a plebiscite. No matter what the Government says, the people do not believe that Irish Water will not be privatised. The Government has lost all credibility with the public. It has failed to listen to people for far too long and has underestimated their anger and resolve. We tabled the motion in order to give power back to the people. We want to see it enshrined in the Constitution, and if people disagree, they would have the option to vote against it. Support for the Bill, which provides for a referendum to retain water services in full public ownership and prevent privatisation of the service or infrastructure now or in the future, would empower Irish people and make water a constitutional right.

The international context can teach us much on the issue. Around the world, Governments and private companies are trying to turn water into a commodity to be exploited for profit, and not a public resource or an intrinsic part of an integrated ecosystem. It begins with moves such as those of the Government, and it ends in disaster. We have choices. The Government's members have choices. People have spoken. We have seen them out on the streets. The Minister for Finance, Deputy Noonan, said the large turnout in Dublin was the last hurrah. Yet the Minister, Deputy White, knows from listening to supporters in his constituency that this has not gone away and will not go away. He has an opportunity, in this motion, to copperfasten the right to water.

In the Minister's opinion, water charges are here to stay. We have a different view; we want to abolish them. Although the Minister said the water metering programme would continue, the options announced yesterday say the opposite. There is no constitutional right to water. Yesterday was a confused, complicated introductory offer from the Government which did not fool the public. They know that once water charges are in place, they will only increase. Although the Minister for the Environment, Community and Local Government, Deputy Kelly, said he would implement legislation that would keep the charges at a certain level until 2019, it is no guarantee. There is no guarantee about who will be in government after the next election. It is just another promise by the Government.

It is clear that Irish Water is unfit for purpose. There is a general consensus in the House that it has been one disaster after another. It has been characterised by excessive spending on consultants, bonuses and cronyism. Irish Water and the Government have no credibility. All sections of society will mobilise on 10 December and it will be a barometer for the Government. This morning, the Minister said the Government would not move. Although the Government said the same 12 months ago - that it could not change - it has shifted. While I welcome the fact that the Government has shifted, it has not shifted far enough. It needs to move further on the privatisation issue. We have made a positive proposal about enshrining the right to water in the Constitution.

Whether the charge is €60, €120 or whatever, it is a tax too far. The electorate gave this message to me and many of the Minister's party colleagues when they called to the door. The

Minister has choices. I do not believe him when he says the Government will not move again. Yesterday, Joe Duffy's "Liveline" show held a ten-minute poll, and of the 15,000 people who responded, 71% still opposed the charges. It was just a sample, a snapshot, like an opinion poll. If the Minister is listening to this debate, he needs to listen long and hard, adapt his policies to deal with what people are saying about the charges, end the privatisation and abolish the charges.

**An Ceann Comhairle:** Deputy O'Brien has just four and a half minutes left.

**Deputy Jonathan O'Brien:** Given that my colleague was in full flow, I did not want to interrupt him, so I conceded some of my time to him. I congratulate Deputy Stanley on the publication of the Bill. It is very appropriate that we discuss it today, especially in light of the announcements the Government made yesterday, when it went a little way to try to address some of the concerns about the privatisation of our water supply. Yesterday's announcements will not satisfy the anger and emotion of the 150,000 people who took to the streets only two weeks ago. It is a genuine concern. Last night, I listened to the contribution of the former Minister of State, Deputy Fergus O'Dowd, in the Chamber and the concerns he raised about the possibility of privatisation when he was the Minister of State in charge of the process. He sought that the legislation would ensure that privatisation of our water supply could never happen. The only way to ensure this is by going to the people in a referendum and copperfastening it in the Constitution.

In recent days I have listened to numerous Government spokespersons, and the line being trotted out is that no Deputy or Minister is in favour of privatisation. Even if I accept this at face value, if it is the case, why can we not copperfasten this in the Constitution by holding a referendum? The idea of a plebiscite does not wash with people. In the past 70 years there has been only one national plebiscite, in the 1930s, although there have been some local and regional plebiscites, including one in County Kerry recently about the renaming of a town.

*11 o'clock*

The reality is that people do not trust the Government. Its track record makes it clear why people do not trust it. We were told people would have to submit PPS numbers because the system would not work unless it had them, yet the need for the numbers was absent in yesterday's announcement. We were told the possibility that the water service would be privatised could not arise under current legislation, but in yesterday's announcement it was stated additional legalisation would be introduced. The reality is that the Government made a balls of things yesterday; it made a mess of things. It did not listen to the people.

**Deputy Alex White:** The word "mess" is parliamentary.

**An Leas-Cheann Comhairle:** I must have missed it.

**Deputy Jonathan O'Brien:** I come from Cork and it is the slang term we use; there is nothing offensive about it. Why did 150,000 people march on streets across the State? They did not hold placards which stated, "Give us some concessions; Lower the costs; Get rid of PPS numbers", rather they stated, "Scrap the water tax". That is for what they marched; they did not march for concessions and will not settle for them. The Taoiseach was banging on about the people's forum he would set up. It will comprise 60 people who will come together, engage with Irish Water and have a conversation about how well it is doing, its PR exercises and communications strategies. People did not march in October and again this month to have a talk-

ing shop established. If the Government wants to give people a genuine forum on this issue, it should call a general election. That is where it will get its answer on Irish Water. Every citizen, not just 60 people, of voting age would be able to go to the ballot box to give their opinion on the performance of the Government, not just on this but on every other issue.

**Minister for Communications, Energy and Natural Resources (Deputy Alex White):** When I heard Deputy Brian Stanley introduce the motion the last night, initially I wondered whether it was essentially a piece of politics in the context of a major political controversy or a genuine attempt by Sinn Féin and the Deputy, in particular, to introduce a new provision to the Constitution, something which I and, I hope, all Members of the House value highly, and have a debate on it. The Deputy did address the constitutional issue in his contribution in ways with which I do not agree. I was reassured that perhaps this was a genuine effort on the part of Sinn Féin to examine whether a new provision in the Constitution might be desirable or necessary.

When I came into the House half an hour ago, I did not hear all of Deputy Dessie Ellis's contribution, but he did address the proposal to amend the Constitution. I then heard Deputy Peadar Tóibín, who managed to make a speech without once mentioning the proposal tabled by his party. When we come into the Chamber for debates, we know that there is a wide degree of latitude in discussing the subject matter of a Member's speech on an issue. Members range far and wide, something we all do and understand, but this is a Bill to amend the Constitution of Ireland. I would have thought Deputies Peadar Tóibín and Seán Crowe would have done better than reducing the debate to ridiculing ideas or tactics to reduce the usage of water in the home. There are children in the Visitors Gallery who could probably tell us a great deal more about how best to properly conserve water, whether by showering less, not filling a kettle when it is not needed and all of the other things one could do in a house to save water. Deputy Seán Crowe can ridicule such things, but they are important elements of what we should be doing to conserve water. He should not ridicule them. The debate is not about that issue but about Bunreacht na hÉireann, the most important document we have and which sets out the basis of our democracy from a legal point of view. The Deputies opposite could have done themselves a greater service if they had addressed that issue.

Deputy Peadar Tóibín referred to capital expenditure and issues far and wide from his party's proposal. However, he exposed himself and his party because he referred constantly to capital investment being needed, but he never mentioned from where this would come and the economic or financial policy that should underlie all of the capital expenditure he said was necessary.

It is amazing that Deputy Dessie Ellis should say that yesterday's proposal to amend legislation to include a provision to state Irish Water would not be privatised without a plebiscite of the people is only a legislative proposal. What respect do the Members opposite have for the House if they reduce legislation to something that is meaningless? The House passes legislation and we will include in legislation a requirement that a particular action cannot occur unless a plebiscite of the people supports it. That is capable of ensuring precisely the outcome the Members opposite say they want to achieve, but they quickly reduce the debate to a piece of political knockabout because that is what they came here to do. Unfortunately, I have reached the conclusion that this is not a genuine proposal to amend the Constitution in a manner in which it would be in the interests of the people but rather a piece of political knockabout to try to expose or flush people out or talk about the Labour Party until the cows come home. That is all the Members opposite really want to do. What interest do they have in the Constitution? What contribution do they want to make to changing the Constitution to allow for socioeco-

conomic rights, possibly including a right to water? Where does Deputy Martin Ferris stand when he refers to our natural offshore resources? Where is his proposal to amend the Constitution to provide for this? He said the timing of the debate was interesting. It is; the motion has only been brought forward by Sinn Féin to gain a political advantage.

As Members of the House, we should work together on how we want to amend the Constitution. We had a Constitutional Convention last year. Let us participate in a real debate on the Constitution. I am afraid that I am critical of Deputy Brian Stanley. An amendment to the personal rights and equality provisions of the Constitution under Article 40 is not the way to proceed if he is genuine about this issue. He needs to examine Article 10 and the balance of rights. How would his proposal be balanced with the property rights provided for in the Constitution? I have raised issues about property rights in the Constitution and their exacting nature. We should examine the property rights provided for in the Constitution, but we should be serious about the issue. If Sinn Féin regards it as its Constitution - I hope it does - it should examine these issues.

I take exception to references by Deputy Martin Ferris in the context of this debate to my party not acting in the interests of the country in what we do. If we were to have a debate on whether his party had acted in the interests of the country, we would be here until midnight. If we want to talk about the Constitution, let us do so. It belongs to the people of Ireland. Let us be serious and responsible about such a debate and not make it the subject matter of political knockabout, as I am afraid the Deputies opposite have done.

**Deputy Pearse Doherty:** I wish to share time with Deputy Brian Stanley.

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

**Deputy Pearse Doherty:** If ever there was a telling sign that a Government and a Minister were under pressure, one only had to listen to the Minister's contribution. He gave a great lecture on Sinn Féin. On the motion before the Dáil which is to be discussed by all Members of the Legislature, not once did he give a reason or outline the rationale for the Government not supporting an amendment to the Constitution enshrining a right to water. Instead, he tried to score political points across the Chamber about what we had said about the Government. Our comment was simple - that the public did not trust it.

**Deputy Alex White:** Try to be honest for a change.

**Deputy Pearse Doherty:** With respect, if the Minister has some manners and humility, he will begin to listen, not just to me but also to the manifestation of the right to water on the streets of the capital city over one month ago which then spread to every village and town across the State. The right to water campaign, in which Sinn Féin, with others, is proud to play a central role has two aims, one of which is to achieve a right to water - that is what the motion is about - and have it enshrined in the Constitution. The second is to have the water charges scrapped and the legislation repealed. What Sinn Féin is doing with this Bill - Members on the Government side may call this opportunistic - is that it is listening to the will of the people and putting forward what it has been saying for many years - that water is and should be a right and should be protected under the Constitution. It should not be at the whim of the Government or the Labour Party to make another promise, which they will no doubt break in the future.

Is the Minister for Communications, Energy and Natural Resources, Deputy White, asking us to trust the Labour Party in the same way it asked the public to trust it on the issue of univer-

sity fees? Its members promised there would be no increase in university fees and went as far as having a photo shoot and signing a pledge. Should they now ask the public to trust them on the issue of water rights and public ownership, just as they asked the public to trust them on the issue of child benefit? That time, the Labour Party went as far as spending thousands of euro of its money erecting posters the length and breadth of the country pledging that the promise it was making would not be breached.

The problem for the Government, and for the Labour Party in particular, is that the public has lost faith, trust and confidence in it. The Minister says the Government is bringing in a legislative bind on the Dáil to ensure that Irish Water will not be privatised, but it told us that a couple of months ago. The Government said the legislation provided that it could not be privatised, but now it has acknowledged that the provision is not strong enough and is saying it will go for a double-lock provision. The same problem exists with the double-lock as with the first lock. It is legislation and any Government can, at a whim, change the legislation of the day. The Government can put it into the legislation that Irish Water cannot be privatised in the future without a plebiscite, but a future Government, or the existing Government under pressure from the troika or other forces, internal or external, could propose an amendment to that legislation that would remove the condition to have a plebiscite.

Let us get real about this. This is about taking the people for fools. The Government is trying to say it understands these matters and that inserting a condition to provide for a plebiscite will protect Irish Water, while hoping the public does not understand that with the snap of a finger it can change the law, if it so wishes, through a majority vote in the Seanad and the Dáil.

The core of this issue is whether water should be protected under the Constitution. I said in my opening remarks, and we acknowledge this, that the Minister is clearly under pressure on the issue. Half of the Labour Party believes water should be protected under the Constitution, while others, particularly those promoted to the ministerial benches, believe it should not, or perhaps it is just that they have to toe the line on Fine Gael policy.

**Deputy Alex White:** We are not ruled by the military. We have different views.

**Deputy Pearse Doherty:** The Minister lectured us earlier about having a conversation on the Constitution, but he is now resorting to cheap shots such as that he has just made. Let me echo what he said earlier. This Government is under pressure, the Labour Party is under pressure and a particular Minister is under pressure. The type of accusation just made is beneath the Minister - whom I respect on a personal basis - and below contempt.

This is about a constitutional right. It is about the inclusion of the right to water in our Constitution. It is an issue that 150,000 members of the public marched for and that tens of thousands will march for on 10 December. It is time for the Government to wise up, listen and stop its cheap political point-scoring off people like me. I was democratically elected by the people of Donegal South-West. I remind the Minister I had to use the Constitution for which he suggests we have no regard to take the previous Government to court to force an election it tried to stop. We will use every opportunity under the Constitution and under people's rights to defend the rights of the people. That is why we want to ensure the right to water is enshrined in the Constitution.

**Deputy Brian Stanley:** I hoped the Minister would remain in the House, because I wanted to respond to what he said, but he has run from the Chamber. The Minister is more liberal than

left-wing, while the Minister of State, Deputy Coffey, is more of a full-back who tends to play the man instead of the ball and who could even damage some of his own team in the process.

The Minister said that some of the Sinn Féin Deputies went away from the issue of amending the Constitution. Obviously, yesterday was a big day, with the debate on water services. Last night, however, the Ceann Comhairle allowed Members on the Government benches to talk about dead bodies, not those shot by Free Staters or the stickies-----

**Deputy Paudie Coffey:** It was not the Ceann Comhairle.

**Deputy Brian Stanley:** -----and to talk about rape, but not the children raped while past Governments stood idly by without doing anything to stop the rape in homes and institutions throughout the State.

**Deputy Paudie Coffey:** The Ceann Comhairle was not present. He did not allow that, as he was not here.

**Deputy Brian Stanley:** Two Government Deputies were allowed make those comments.

**An Leas-Cheann Comhairle:** I have no information on that. Please return to the debate.

**Deputy Brian Stanley:** I thank Deputies from all sides for their contributions. While the Government benches have clearly indicated that they will not support our proposal in regard to a referendum, it is clear this has unsettled them. The response of the Minister for the Environment, Community and Local Government, Deputy Kelly, yesterday was to promise to enact a legislative amendment to the current legislation, which would be totally inadequate. The insertion of an amendment to have a plebiscite in the event of a proposal to privatise the water service would not even guarantee that a plebiscite would be held. The Minister of Communications, Energy and Natural Resources, who has just left the Chamber, would be aware of that, because he has a legal qualification. It is hard to imagine that a Government which had made up its mind to sell off the water services would not simply again amend the relevant legislation to remove the commitment to hold such a plebiscite. This means the only way to guarantee that privatisation is prevented would be to hold a referendum along the lines proposed by Sinn Féin. That would be the most democratic means of settling the issue. A simple question could be put as to whether people want Irish Water to remain in public ownership or be sold off to a private company. It is clear that several members of the Labour Party, including party members in the Seanad, share our view on this. I urge them, therefore, to follow their convictions, if they are serious and this is not just public bluster, and vote to allow this Bill to go forward.

Last night, the former Minister of State, Deputy O'Dowd, claimed the original legislation proposed a legal mechanism that would prevent Uisce Éireann from being sold off or privatised, but this was removed by officials. We can only presume at whose whim that was removed. I presume it was done on the instruction of the former Minister, Phil Hogan, and his senior officials. I must also refer to the astonishment expressed by the Minister of State, Deputy Coffey, at Sinn Féin's allegedly ill-judged and badly timed decision to introduce this Bill. I cannot think of a better time for this Bill. I do not know whether he has been outside this building in the past week, but this is the issue and concern of people on the street. They are worried about this issue. He made that claim in light of the lectures on the issue that we have had to listen to since yesterday. People are concerned about this issue, particularly those who vote for Sinn Féin. I have also met many Fine Gael voters who are concerned about it.



First, we initiated this Bill over a month ago, prior to the recent break. We may be many things, but we are not mind readers. The truth is that the Government, in its panic, has done a number of U-turns. It announced ten changes yesterday. It has stumbled from one crisis to another in regard to Irish Water and the water charges. Second, our Bill holds validity, despite any of the U-turns announced by the Minister. As I said earlier, it has even more validity in light of the Government's strange reason for not providing the opportunity of a referendum to allow citizens to decide whether they want a constitutional guarantee against privatisation.

I suspect the Government's opposition to our proposal goes much deeper than the diversionary responses of the Minister and some Members on the Government benches. The only conclusion one can draw is that it would not object to selling off the water services at some future date. The evidence certainly points to that, and the Labour Party appears happy to support that and to leave the door open to the implementation of another part of the neoliberal agenda. We have seen much of this attitude since it came to power. At least Fine Gael is consistent in regard to its ideological position and its right-wing agenda. I am not sure where the Labour Party stands in that regard.

Most of the Minister's response had nothing to do with the substance of our proposal. He spoke about the nature of the protests, water meters and other issues that had nothing to do with the point at issue. There are several conflicting views on the issues discussed yesterday which will be discussed again later today during the debate on the Minister, Deputy Alan Kelly's announcement.

Our Bill, while obviously inspired by the current national debate on water services, stands alone, regardless of anyone's opinion on whether Irish Water is fit for purpose or whether there ought to be water charges, which are the two key issues. Sinn Féin and others on this side of the House do not think Irish Water is fit for purpose and we propose that it be abolished, as it cannot continue in its current form.

**Deputy Paudie Coffey:** They charge for it in the North. They have it all rolled up into one.

**Deputy Brian Stanley:** However, if the Government gets its way on these issues and Irish Water remains as it is, a successful amendment on retaining water services in public ownership would not conflict with it. Therefore, we must again ask why the Government is so keen to ensure this option will remain for a future Government. The Bill I have brought forward would put control in the hands of the people of the State. The Minister, Deputy Alex White, has talked about the amendment we seek to insert into Article 40. We do so on legal advice. While I know that the Minister has a legal qualification, barristers differ. Doctors also differ and patients die - that is a fact. This is the advice we are going by and we are doing so for a good reason. It is fair enough if the Minister believes it should be inserted into Article 10 of the Constitution. We will not fall out over it and I would certainly not fall out with him over it, if he was willing to back it. However, that is not what he is about. What he is trying to do is belittle the solid proposal we have brought forward. He said it was some kind of diversionary political tactic.

**Deputy Paudie Coffey:** It is flawed.

**Deputy Brian Stanley:** When we bring up any issue, there is always a diversionary political tactic. I have seen the Minister of State, Deputy Paudie Coffey's diversionary political tactics and the way he plays the man, not the ball.

**Deputy Paudie Coffey:** I do not do that.

**Deputy Brian Stanley:** I have seen the way the Minister of State does it and it does not go down well with the public or, I must inform him, even with some of his own supporters, some of whom I have heard comment on the way he does it.

**An Leas-Cheann Comhairle:** Please, Deputy, can we stick to the Bill?

**Deputy Paudie Coffey:** Is Deputy Brian Stanley going to Fine Gael meetings also? Is he infiltrating them?

**Deputy Brian Stanley:** The Minister of State stands up here and has an answer for everything, bar what is being spoken about. If he would stick to the subject, he might do better.

**An Leas-Cheann Comhairle:** Please, Deputy. There should be no more interruptions.

**Deputy Brian Stanley:** Through the Bill we have brought forward, we want to put this issue in the hands of the people only. The Government's flaky proposal of a plebiscite would put control in the hands of a future Government when with a simple majority in the House the law could be changed. That is all that is needed to change the law at any time and sell to the highest bidder - to vulture capitalists. The Government has left the way open. Of course, because of the IMF, the ECB, the troika or some other conglomerate, the Government could state, "We have to do it because the big boys have told us to do it," and force it on the people, or some other concoction of a Government will force it on them. We could have a situation where there was a Fine Gael Government. Unfortunately, there are no Labour Party Members present in the House to hear what I have to say, but I make the point that Labour Party people, most of whom are fair-minded, need to be very careful. We can imagine a situation where Fine Gael and the Reform Alliance, the Progressive Democrats Mark II, are occupying the Government benches with a majority. Those who occupy the Labour Party benches now will have to trust them. They are willing to go with the legislation and trust a right-wing Government including the Reform Alliance, the Progressive Democrats Mark II or Mark III, with Fine Gael, on this issue. I certainly would not trust it on it, given the U-turns it has made and what I have seen it do since it came to power.

**Deputy Paudie Coffey:** Do not forget it founded the State and all of the institutions that go with it. The Deputy's party for many years tried to usurp them.

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

**Deputy Brian Stanley:** It would sell it off on a whim to the likes of Sierra.

**Deputy Paudie Coffey:** We will not be lectured by Sinn Féin. My party founded the State.

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

**Deputy Brian Stanley:** The Minister of State is interrupting. I thank the Leas-Cheann Comhairle for calling for order. What Fine Gael would do is sell off Irish Water to Sierra, which already has its foot in the door, or some other such company. That is what the big plan is.

**Deputy Joe Carey:** That is scaremongering.

**Deputy Brian Stanley:** That is the road it will go down and the Labour Party needs to be aware of this. That is what Fine Gael is fit to do in a future Government including the Reform Alliance, the Progressive Democrats Mark II, or some other concoction of a Government. I

20 November 2014

appeal to the Members of the House, even to Fine Gael Members who may be worried about this issue, to vote for the Bill to insert this simple amendment into Article 40 of the Constitution and give control back to the people. They should not leave these decisions in the hands of flaky Governments. Water services and water infrastructure belong to the people and nobody, including the Government, has the right to sell them off. We must enshrine this amendment in the Constitution.

Cuireadh an cheist.

Question put.

Rinne an Dáil vótáil ar mhodh leictreonach.

The Dáil divided by electronic means.

**Deputy Brian Stanley:** Given the importance of this issue, the importance of water services and the utterances of those on the other side of the House, as a teller, under Standing Order 69 I propose that the vote be taken by other than electronic means.

Cuireadh an cheist arís.

Question again put:

<i>The Dáil divided: Tá, 43; Níl, 74.</i>	
<i>Tá</i>	<i>Níl</i>
<i>Adams, Gerry.</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>Bruton, Richard.</i>
<i>Collins, Joan.</i>	<i>Butler, Ray.</i>
<i>Colreavy, Michael.</i>	<i>Buttimer, Jerry.</i>
<i>Cowen, Barry.</i>	<i>Byrne, Catherine.</i>
<i>Crowe, Seán.</i>	<i>Byrne, Eric.</i>
<i>Daly, Clare.</i>	<i>Carey, Joe.</i>
<i>Doherty, Pearse.</i>	<i>Coffey, Paudie.</i>
<i>Donnelly, Stephen S.</i>	<i>Collins, Áine.</i>
<i>Ellis, Dessie.</i>	<i>Conaghan, Michael.</i>
<i>Ferris, Martin.</i>	<i>Connaughton, Paul J.</i>
<i>Fitzmaurice, Michael.</i>	<i>Conway, Ciara.</i>
<i>Fleming, Tom.</i>	<i>Corcoran Kennedy, Marcella.</i>
<i>Grealish, Noel.</i>	<i>Costello, Joe.</i>
<i>Halligan, John.</i>	<i>Creed, Michael.</i>
<i>Healy, Seamus.</i>	<i>Daly, Jim.</i>
<i>Healy-Rae, Michael.</i>	<i>Deasy, John.</i>
<i>Kelleher, Billy.</i>	<i>Deering, Pat.</i>
<i>Kirk, Seamus.</i>	<i>Doherty, Regina.</i>
<i>Martin, Micheál.</i>	<i>Dowds, Robert.</i>

Dáil Éireann

<i>McConalogue, Charlie.</i>	<i>Doyle, Andrew.</i>
<i>McDonald, Mary Lou.</i>	<i>Durkan, Bernard J.</i>
<i>McGrath, Finian.</i>	<i>Farrell, Alan.</i>
<i>McGrath, Mattie.</i>	<i>Feighan, Frank.</i>
<i>McGrath, Michael.</i>	<i>Fitzpatrick, Peter.</i>
<i>McGuinness, John.</i>	<i>Griffin, Brendan.</i>
<i>McLellan, Sandra.</i>	<i>Harrington, Noel.</i>
<i>Murphy, Catherine.</i>	<i>Heydon, Martin.</i>
<i>Naughten, Denis.</i>	<i>Howlin, Brendan.</i>
<i>Ó Caoláin, Caoimhghín.</i>	<i>Humphreys, Heather.</i>
<i>Ó Cuív, Éamon.</i>	<i>Humphreys, Kevin.</i>
<i>Ó Fearghail, Seán.</i>	<i>Kehoe, Paul.</i>
<i>O'Brien, Jonathan.</i>	<i>Kelly, Alan.</i>
<i>O'Dea, Willie.</i>	<i>Kenny, Seán.</i>
<i>O'Sullivan, Maureen.</i>	<i>Kyne, Seán.</i>
<i>Pringle, Thomas.</i>	<i>Lawlor, Anthony.</i>
<i>Ross, Shane.</i>	<i>Lynch, Ciarán.</i>
<i>Shortall, Róisín.</i>	<i>Maloney, Eamonn.</i>
<i>Smith, Brendan.</i>	<i>McEntee, Helen.</i>
<i>Stanley, Brian.</i>	<i>McGinley, Dinny.</i>
<i>Tóibín, Peadar.</i>	<i>McHugh, Joe.</i>
	<i>McNamara, Michael.</i>
	<i>Mitchell, Olivia.</i>
	<i>Mulherin, Michelle.</i>
	<i>Murphy, Dara.</i>
	<i>Murphy, Eoghan.</i>
	<i>Nash, Gerald.</i>
	<i>Neville, Dan.</i>
	<i>Nolan, Derek.</i>
	<i>Noonan, Michael.</i>
	<i>Ó Ríordáin, Aodhán.</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>O'Sullivan, Jan.</i>
	<i>Penrose, Willie.</i>
	<i>Phelan, Ann.</i>
	<i>Phelan, John Paul.</i>
	<i>Rabbitte, Pat.</i>
	<i>Ring, Michael.</i>
	<i>Ryan, Brendan.</i>

20 November 2014

	<i>Shatter, Alan.</i>
	<i>Stagg, Emmet.</i>
	<i>Stanton, David.</i>
	<i>Timmins, Billy.</i>
	<i>Tuffy, Joanna.</i>
	<i>Twomey, Liam.</i>
	<i>Wall, Jack.</i>
	<i>Walsh, Brian.</i>
	<i>White, Alex.</i>

Tellers: Tá, Deputy Brian Stanley and Deputy Pearse Doherty; Níl, Deputy Paul Kehoe and Deputy Emmet Stagg.

Question declared lost.

Faisnéiseadh go rabhtas tar éis diúltú don cheist.

*Sitting suspended at noon and resumed at 12.05 p.m.*

### Leaders' Questions

**Deputy Barry Coven:** I add my voice to those of others who condemned what happened to the Tánaiste in Jobstown last week. Despite our differences in this Chamber, every Deputy, of all parties and none, should be singing from the same hymn sheet in condemning what occurred. I hope we do not see these events repeated in the future.

I have no doubt that the Government is breathing a sigh of relief after yesterday's massive climb-down on water charges. I note that the Tánaiste stated last night that she had appointed the Minister for the Environment, Community and Local Government, Deputy Alan Kelly, to sort out the issue. I am glad to see that the Labour Party has taken ownership of Irish Water, which was a Fine Gael love child.

Yesterday the Government inflicted on the people a package of measures which will mean that everything collected in water charges in the next eight years will go towards the €700 million wasted to date. I wonder if yesterday's announcement answered the many outstanding questions. It failed, for example, to convince people that establishing Irish Water was the right thing to do or that they could expect it to suddenly become efficient, cost-conscious and consumer-friendly. It confirmed, however, that one element of the model the Government has pursued to date was definitely off the agenda, namely, conservation.

I am mindful of the comments made by the Minister for Health, Deputy Leo Varadkar, the other night and those made by the Minister for Public Expenditure and Reform, Deputy Brendan Howlin, yesterday. This morning a former chairman of the Economic and Social Research Institute expressed concern about the independence of Irish Water and its ability to reach the Holy Grail of borrowing off-balance sheet to the extent the Government would like. What level of contact has the Government had with EUROSTAT? Given that under the revised model, the Government subvention will increase to €240 million, €180 million will be handed back in rebates and a €60 million supplement will be paid to the local authorities in order that Irish Water

does not have to pay rates on the €11 billion worth of assets it has acquired, what reassurance has the Government received from EUROSTAT that its model passes the test? If it does not pass the test, what assurances have been given to the Government and what guarantees can it provide that it will pass the test? The House would be wiser if it had answers to these questions. As far as I am concerned, the Government's decision to revise the model by increasing the subvention and decreasing the contribution of members of the public does nothing more than put the rest of the House on a general election footing.

**Deputy Finian McGrath:** The Tánaiste should do the sums again.

**The Tánaiste:** I thank Deputy Barry Cowen for his kind remarks. I have been contacted by a large number of people from around the country and living abroad and I express my thanks to all of them. The issue was not about me, in particular, but about the 60 young people who were graduating on the day. Their community and An Cosán are very proud of them, whereas the people leading the protest did not seem to have a care for them.

With regard to the people of Tallaght, especially Jobstown, I attended a large event the other day involving schools in Jobstown and Tallaght generally. The second year students in attendance were very proud and well turned out. They hope one day to go to Trinity College Dublin or one of the other universities and colleges under the Access programme. One could not but be proud of them. The protestors and those who led the protests did no favours to the young people who were present.

If Irish Water is Fine Gael's love child, as Deputy Barry Cowen describes it, the Fianna Fáil Party had a hand in its conception because it left-----

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

**Deputy Michael Healy-Rae:** Who delivered the baby?

**The Tánaiste:** While we all understand the pressure the previous Government was under, Irish Water had been left on the to-do list signed with the troika. As I said, however, I do not really want to get into an argy-bargy with the Deputy. I thank him for his remarks, because it is comforting, particularly with regard to my staff person who was with me in the car and had a very frightening experience and who was understandably extremely upset. The gardaí took grief, particularly women gardaí. Over-sexualised imagery was being used in the protests and comments were made as well, particularly to young male gardaí.

As regards Irish Water, Deputy Cowen asked about the status of EUROSTAT, which is similar to our Central Statistics Office, CSO. These are august, independent organisations and, as any economist and anybody who has served in government will tell the Deputy, they make their own decisions. For instance, the CSO publishes regular figures in Ireland in respect of economic activity, employment figures, unemployment figures and so on. All of these statistical bodies are resolutely independent, so there is no way the Irish Government will know the decision until such time as, in its own professional way, EUROSTAT, under EU law - and, indeed, the CSO under Irish law - takes its decision, which I understand will be some time at the end of the first quarter of 2015.

Under the market corporation test, the so-called MCT, the Government subvention as a percentage of the total is 44%. There is a small change in the subvention level, as the CEO of Ervia and Irish Water set out on "Prime Time" last night - a change of around €21 million in

respect of the rates which would formerly have been paid, potentially, by Irish Water. It should be remembered that the property and assets that were taken over are those of local authorities and, as such, rates were never paid on them. Therefore, an arrangement has essentially been made to continue that. The CEO said it made no material difference, but the difference this sounding model does make - and I know the Deputy appreciates it - is that instead of having the funding costs of Irish Water directly in our annual capital budgets, we can use the ESB and Bord Gáis model to raise funds via the selling of debt and bonds, largely to pension funds of workers throughout the world, including Ireland and elsewhere in the EU, when their pension funds choose to invest in a public utility such as Irish Water. Essentially, it is a way of making Ireland's investment capacity go further. We have done it for decades and we raised billions via the ESB and Bord Gáis. We are simply using the same model now, which means that we have more money to put into school buildings, hospitals, roads and all the other things that, understandably, everybody in this House is looking for nationally and at a local level.

**Deputy Barry Cowen:** The bottom line, I gather from the Tánaiste's response, is that yesterday's package, including the revised model, has not passed the market test. It remains to be seen whether it will, but people are entitled to know what plan B is in the event of its not passing that test. I suppose it is not plan B, considering the Government has had ten U-turns since this debacle commenced.

**Deputy Mattie McGrath:** Plan X.

**Deputy Barry Cowen:** Exactly. We have almost passed the middle of the alphabet. If it is not passed, what is plan B? Will we go back to the previous model? Will we go back to the regulator's price, rather than what the Government brought forward yesterday?

**The Tánaiste:** I will use the example of tests in life. Almost all of us here at one time or another have put our cars through the national car test. Many of us have also sat the leaving certificate and other examinations. The Deputy is asking me to predict the outcome-----

**Deputy Barry Cowen:** We are not talking about the NCT.

**The Tánaiste:** -----of a test run by an absolutely independent body. Both EUROSTAT and its Irish equivalent, the CSO, which calculates statistics here, are absolutely independent.

**Deputy Barry Cowen:** I am saying, let us not drive the car without knowing whether we have passed the NCT.

**Deputy Mattie McGrath:** You need insurance cover too.

**The Tánaiste:** I am sure Deputy Mattie McGrath recalls the period when Greece was in serious difficulties, particularly from May to June 2011. One of its big problems was that EUROSTAT decided it did not have full confidence in its figures. EUROSTAT is absolutely independent, and I know the Deputy is not suggesting it should not be independent.

**Deputy Barry Cowen:** I anticipated that my car would pass the NCT, but it did not.

**The Tánaiste:** The Deputy is asking for the answer to a test that will not be done by EUROSTAT until it decides to do it. We anticipate that it will carry out that test or examination sometime next April or around the end of the first quarter. We are confident because we have the figures here.

**Deputy Barry Cowen:** Then publish them.

**The Tánaiste:** To help Members of the House, the test is whether or not there is a stream of income in excess of 50% of the total funding that is other than Government funding. The Government subvention of Ervia or Irish Water is 44% and, therefore, we should more than comfortably pass the test. I am satisfied that we will actually pass the test.

**Deputy Finian McGrath:** It is 50:50.

**Deputy Mary Lou McDonald:** I join in absolutely rejecting any act of aggression against the Tánaiste, her staff member, any member of An Garda Síochána or any protestor. I am sure she will join with me in acknowledging that, in fact, the protests by hundreds of thousands of people the length and breadth of the country have been marked by their peacefulness, respect, colour and determination. I am sure the Tánaiste will join with me in saying that the acts of a few random individuals do not represent the spirit or intent of the vast majority who have protested.

Yesterday, the Government announced a revised plan cobbled together in response to those very demonstrations. It is an attempt to dupe people into believing that the issue of water charges has been resolved. It is a desperate attempt to bribe people off the protests. Those protests have demonstrated the sharp reality that this lame-duck coalition has lost its mandate.

The Tánaiste seems to have a strange view of the public's anger and demands. Mind-bogglingly, she persists with the farcical line that people have been protesting because they want certainty and clarity. That is nonsense, however, and the Tánaiste knows it.

There are four things that hard-pressed ordinary people can be certain of today: first, that the Government is pressing ahead with water charges; second, that these charges will go in only one direction, which is up; third, that the metering programme will continue and that metered charges are the endgame here; and fourth, that there is still no constitutional guarantee of a right to water.

The Tánaiste made a big deal of the €100 rebate that will be administered through her Department. She seems to be incapable of getting it, however. There are many families who cannot pay any charge whatsoever. Easy payment plans and other methods of extracting this money simply do not cut it. They cannot wait six months to get back €100; they do not have €100 to give. People did not march looking for capped charges, flat charges or threats of penalties. They did not march to have their landlords turned into water tax collectors or to have unpaid water charges attached to the family home. They did not march for concessions but for abolition. The Tánaiste answered the questions she was not asked and failed to answer the core demand of people the length and breadth of the country.

**An Leas-Cheann Comhairle:** The Deputy should put a question.

**Deputy Mary Lou McDonald:** What will it take for the Tánaiste to wake up and listen to what people are saying and scrap these odious and unfair water charges?

**The Tánaiste:** I thank Deputy McDonald for her comments and I hope people like her, in positions of leadership particularly, will remove this slur cast on the people of Jobstown and Tallaght by the way the leaders of the demonstration conducted themselves.

**Deputy Joe Higgins:** By Independent newspapers.



**Deputy Emmet Stagg:** The Trotskyite agitator should go back to Goatstown.

**The Tánaiste:** The people of Tallaght and Jobstown are owed an apology and I thank Deputy McDonald for disassociating herself from the extremely damaging behaviour. The people in Jobstown and Tallaght work hard, earn their money and pay their taxes. They do not deserve to be traduced in the way that was done by the organisers of the protest.

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

**The Tánaiste:** Their children have ambitions to work and to go to college and not to have the name of Tallaght, or the name of any working-class unit in Dublin, traduced.

**Deputy John Lyons:** Shame.

**The Tánaiste:** Deputy Paul Murphy seemed pretty happy to have the Garda Síochána bring him out of the demonstration and taken away safely when it got rougher.

**Deputy Paul Murphy:** That is not true.

**The Tánaiste:** I presume at that point Deputy Paul Murphy put the megaphone back in the boot of his car.

**An Leas-Cheann Comhairle:** The Tánaiste must get back to Deputy McDonald's question and we must have order for the answer.

**The Tánaiste:** I know this is taking extra time but I want to thank Deputy McDonald for dissociating herself and her party from what happened in Tallaght on Saturday. It is not good for anyone in Ireland and not good for the community. It is not about me; it is about the community in Tallaght and Jobstown.

With regard to her question, under the revised package of a fresh start for Irish Water, people in a single adult household charge will pay, net, €1.15 a week. People in a household with two adults or more will pay a net charge of €3 a week. Deputy McDonald speculated about why people marched. I know people who marched and I have talked to a lot of people about the issue. As well as the matters about which the Deputy was talking, they want clean water, they want an end to the spectacle of 42 rivers having raw sewage dumped into them, they want to see a programme-----

**Deputy Paul Murphy:** They want not to have their child benefit cut.

**Deputy John Lyons:** How about we lock Deputy Paul Murphy in a car for two and a half hours?

**Deputy Stephen S. Donnelly:** They do not want to be charged for wastewater treatment. This Government will charge for a service-----

**An Leas-Cheann Comhairle:** This is Deputy McDonald's question.

**Deputy Brendan Howlin:** Who elected Deputy Stephen Donnelly leader?

**The Tánaiste:** This is the alliance of the Tea Party and Trotskyist. This is a new political party in Ireland. The Tea Party Trotskyists, a homegrown Irish version.

**Deputy Aodhán Ó Riordáin:** T-trot.

**Deputy Stephen S. Donnelly:** I am sure people love the Tánaiste's witticisms.

**Deputy Brendan Howlin:** Deputy Donnelly is an expert on everything.

**An Leas-Cheann Comhairle:** This is Leaders' Questions. Time is nearly up.

**The Tánaiste:** Deputy Stephen Donnelly knows-----

**Deputy Mary Lou McDonald:** The Tánaiste should be answering my question.

**The Tánaiste:** -----there has been an intense amount of investment, particularly under the previous Government. Fianna Fáil made a lot of investment, as did the local authorities throughout the country through development levies, in water delivery and sewerage systems. Having boundaries for pipes that stop at the county boundary makes no sense.

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

**The Tánaiste:** There was no great achievement with regard to the road programme because, similarly, it made no sense.

**Deputy Ciara Conway:** Deputy Mattie McGrath is getting his water from Waterford.

**Deputy Gerald Nash:** They must be putting something in it.

**The Tánaiste:** With regard to Fianna Fáil, I acknowledge that when the National Roads Authority brought together previously disassociated county roads investment plans, we got one of the better legacies of the prosperous years, a motorway system that vastly improved the service and usability of our road system.

Anyone who turned left at Paulstown to go to Waterford, as I did over a long period and I am looking at Deputy Ciara Conway, and went into south Kilkenny-----

**Deputy Brian Stanley:** The Tánaiste has turned right.

**The Tánaiste:** -----the road returned to being the roads of previous days because Kilkenny County Council did not care about how people got to or from Waterford. In fairness, when Fianna Fáil and the previous Government invested in the National Roads Authority, we got a motorway that the people of Waterford deserve.

**Deputy Mattie McGrath:** Around the houses.

**Deputy Finian McGrath:** There is the next Government.

**An Leas-Cheann Comhairle:** Order please, for Deputy McDonald's supplementary question.

**Deputy Mary Lou McDonald:** Just as I dissociated myself from that behaviour, I equally dissociate myself from the behaviour of a small number of members of the Garda Síochána, who have been extremely heavy-handed and rough with protesters.

**Deputy Emmet Stagg:** The old enemy.

**Deputy Mary Lou McDonald:** Members of the Garda Síochána are not the enemies of anyone. They are the guardians of the peace and protesters have a perfect right to be treated

lawfully and respectfully and not to be flung against a bollard. This is a limited number of members of the Garda Síochána but we must be consistent in our view that all protesting and demonstration must be absolutely peaceful and peacefully policed.

**Deputy Patrick O'Donovan:** Does that apply to the assassination of gardaí?

**Deputy Mary Lou McDonald:** Far from casting a slur on the people of Jobstown and Tallaght, from anyone I know in the Oireachtas there would be only words of positivity for Tallaght. There is no need for anyone to make a grand defence of the people of Tallaght. There is no attack on the people of Tallaght, who are fine people, as are the people of Jobstown. They have as much right as anyone else to protest in respect of water charges.

**Deputy Eric Byrne:** Not under the Trotskyist.

**Deputy Mary Lou McDonald:** I do not need to speculate about what people were saying on the demonstrations. I was at them. The Tánaiste glibly says that it is only €1.15 or €3 a week, which it is if people have that in their pockets. I am troubled by the fact the Tánaiste, seeing as she references working class communities across this city and beyond, does not seem to grasp that there are people who do not have any euro or cent at the end of a given week or month with their current bills, never mind water charges. They cannot pay.

I will ask two specific questions and the Tánaiste might give me two specific answers. What about the people who cannot pay? Some of them are the working poor and we all know them so let us not pretend that they do not exist. What about the people who cannot pay? What do they face - penalties and attachments to dwellings? What does the Tánaiste say to them?

Everything was considered in the package of measures announced yesterday. What consideration was given to abolishing domestic water charges? That was, and still is, the demand. Was there a discussion to consider the demand made by so many?

**An Leas-Cheann Comhairle:** I call the Tánaiste to give a final reply.

**Deputy Michael Healy-Rae:** She might answer the questions today.

**The Tánaiste:** My reply may take slightly longer than usual.

**Deputy Finian McGrath:** This should not impinge on Technical Group time.

**The Tánaiste:** Deputy McDonald made some important comments about An Garda Síochána and I will address them briefly. At these protests there was a small minority of people, and those opposite may know some of them, as they are from a variety of groups. There was virulence in the language directed towards the gardaí and the people against whom people were protesting. This has happened not just to me but to other colleagues and people. The virulence of the language was extraordinary. These are our fellow Irish citizens and the Garda Síochána is tasked with guarding everybody in this State. They do a very good job under difficult circumstances, as they did in Tallaght on Saturday.

There was a provocative and “sexed up” nature in the language used. There was imagery in language relating to women. There were female gardaí present who were fantastic and who managed to stop further assaults on the car I occupied, as I was in two cars at different times. The imagery in the language used by protesters was at times bullying and homophobic when directed at young male gardaí. I have travelled around the world and been in difficult circum-

stances on different occasions. I was brought up in the centre of Dublin in a very ordinary working class community. I am no stranger to people using robust language but I do not know what is in people's minds when they use the imagery in the language I heard. It is not healthy for young gardaí to have to take it.

If the Deputy is aware, as deputy leader of her party, of cases where she feels the gardaí may have reacted or behaved inappropriately, or other people are aware of it-----

**Deputy John Halligan:** It was on television.

**The Tánaiste:** The previous Government established the Garda Síochána Ombudsman Commission, GSOC.

**Deputy Martin Ferris:** It was on "Prime Time".

**The Tánaiste:** If the Deputy or people she knows have a complaint, that is the place to go.

**Deputy Mary Lou McDonald:** Will the Tánaiste answer my question?

**The Tánaiste:** There were attempts to damage property and gardaí. For the Deputies' information, the second car I occupied had its windscreen broken.

**Deputy Jonathan O'Brien:** This is ridiculous.

**Deputy Mary Lou McDonald:** A Leas-Cheann Comhairle-----

**Deputy Jonathan O'Brien:** The Tánaiste is talking down the clock again.

**An Leas-Cheann Comhairle:** We must proceed to the next question.

**Deputy Bernard J. Durkan:** It is groundhog day.

**The Tánaiste:** I am happy to answer the points in the second part of the question.

**Deputy Finian McGrath:** There is another group to ask a question.

**Deputy Mary Lou McDonald:** I have a point of order.

**Deputy Sandra McLellan:** Is the Leas-Cheann Comhairle allowing extra time?

**Deputy Aodhán Ó Ríordáin:** I hope the Deputy is not going to accuse us of wasting time. That would be pretty ironic.

**Deputy Jonathan O'Brien:** We are accusing her of not answering the question.

**Deputy Mary Lou McDonald:** I appreciate that the Tánaiste wished to make comments on the events at the weekend but she has covered it very comprehensively. I have asked her two questions.

**Deputy Jerry Buttimer:** No.

**Deputy Bernard J. Durkan:** On a point of order-----

**An Leas-Cheann Comhairle:** Allow the Tánaiste to continue.

20 November 2014

**Deputy Mary Lou McDonald:** I asked about people who cannot pay and the abolition of charges. I want answers to those questions.

**Deputy Bernard J. Durkan:** Have Standing Orders been changed?

**An Leas-Cheann Comhairle:** This is Leaders' Questions.

**Deputy Finian McGrath:** He is the enforcer.

**Deputy Brian Stanley:** A new leader.

**The Tánaiste:** In the case of people with inadequate resources, whether they are at work or depending on social welfare, for the first time since the economy collapsed we have been in a position with the budget this year to have a small or modest social welfare increase targeted at precisely the people about which the Deputy is rightly expressing concern.

**Deputy Róisín Shortall:** Some of them.

**The Tánaiste:** If families or individuals have particular needs, as always, the Department of Social Protection will seek to help.

**Deputy Finian McGrath:** I hope there will be injury time for the Technical Group.

**The Tánaiste:** This is as we have done for people with ESB or Bord Gáis debts.

**Deputy John Halligan:** Nothing has been done with community welfare officers.

**The Tánaiste:** We want to set in motion a mechanism to support people in meeting their obligations.

**Deputy Róisín Shortall:** That is if they can find a community welfare officer.

**The Tánaiste:** The social welfare system has done this for decades and if there are cases-----

**Deputy Róisín Shortall:** There are 500,000 people.

**The Tánaiste:** -----where families or individuals have a particular difficulty-----

**Deputy Dessie Ellis:** The landlords will take the water charges from deposits.

**Deputy Brendan Howlin:** The Deputy should stop shouting down the Tánaiste.

**Deputy Róisín Shortall:** Nothing has been done for those people.

**The Tánaiste:** -----we can help such individuals and families, as we have done through the decades. The increases in tax savings or take-home pay for people on the average industrial wage will be €8 per week. That refers to somebody on approximately €34,000 and it will come into effect when the employer puts those changes into effect.

**Deputy Brian Stanley:** What about somebody on €100,000 per year? How much would he or she get?

**The Tánaiste:** That compares to the €1.15 or €3 figure for the week for water charges.

**Deputy Róisín Shortall:** What about people on low pay?

**An Leas-Cheann Comhairle:** I call Deputy Joan Collins.

**Deputy Finian McGrath:** I hope the Leas-Cheann Comhairle will show some flexibility and allow extra time.

**An Leas-Cheann Comhairle:** I have great time for Independents.

**Deputy Bernard J. Durkan:** The Deputy can have half an hour.

**Deputy Joan Collins:** It has taken a half hour to deal with questions from the representatives of two party leaders when it should only take 15 minutes.

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

**Deputy Joan Collins:** I wish to raise the serious issue of secret negotiations which have taken place between the European Union and the US. These talks aim to conclude a Transatlantic Trade and Investment Partnership, TTIP.

**Deputy Michael Fitzmaurice:** It will wipe out everybody.

**Deputy Joan Collins:** Most people do not even know these negotiations are under way and they have no idea what is being discussed because of the extreme secrecy surrounding the talks, meaning there has been no or little debate in the European Parliament. There has been no debate I know of in this Parliament.

**Deputy Eric Byrne:** We have been debating it.

**Deputy Joan Collins:** There are major concerns about this within trade unions and civil society groups. War on Want describes TTIP as an assault on European and US societies by transnational corporations. The primary aim of TTIP, acknowledged by officials in the talks, is not to stimulate trade by removing tariffs but to remove regulatory barriers which restrict potential profits by transnational corporations.

There are six main areas. One is the creation of new markets by opening public services and government procurement to competition but will this include Irish Water? Second, there is a proposed convergence on standards for food safety and the environment, which will bring about a lowering of EU standards. In the US, 70% of processed food contains genetically modified material and in the EU, one must prove a substance is non-toxic, whereas in the US one can use a substance that is proven as “less toxic”. Banking regulation is also on the agenda. It is tougher in the US after the crash, and the European Union banks want lighter regulation in order to get back to business as usual. Other issues include the easing of data protection processes, the likelihood of job losses in the EU compared with the US because of less union organisation and labour laws and, importantly, the issue of an investor state dispute settlement court, which is to be a private and secret court.

What level of involvement do Irish officials have in these talks? If there has been involvement, who has been present? Has there been any discussion at the Cabinet about the talks and will there be a debate here, with full information provided to Deputies?

**Deputy Finian McGrath:** That was on time and on budget.

**The Tánaiste:** The Deputy is referring to ongoing discussions between the European Union-----

**Deputy Joan Collins:** Secret discussions.

**The Tánaiste:** -----and the United States with regard to trade. As the Deputy probably knows, we are a trading island and we must make our living in the world. Any negotiations that provide markets for Irish goods and services are of significant importance to developing and sustaining employment in Ireland. The Deputy is referring to fair trade regulations, and if they can take into account the interests of the different people in countries involved with the negotiations, it would be a very important advance. Recently, as a consequence of difficulties in the Ukraine, certain parts of the Russian markets have been closed to Irish exporters, which is of concern to people working in companies that export to Russia. If trade access is closed for a country like Ireland, it would create an incredibly difficult issue.

There are always concerns relating to trade negotiations. The Deputy must balance Ireland's interests as a trading country and the benefits of a bigger market for goods and services with changes in market regulation and the opening of markets that could adversely affect Ireland and the interests of its workers.

**Deputy Joan Collins:** I asked who has been involved.

**The Tánaiste:** The Minister for Foreign Affairs and Trade, Deputy Charles Flanagan, will be particularly involved in this and my predecessor, Deputy Eamon Gilmore, took an extremely strong interest in these negotiations, especially the rights elements. These matters have been raised by a number of trade unions but I am not directly involved in the negotiations as the Minister for Social Protection.

Ireland must develop markets and develop trade as this is how many people make a living. We must attract international investment and a significant announcement was made in my constituency last week - 1,000 new construction jobs are to be created to develop cutting edge medical biological facilities. We must be aware of potential difficulties that may arise in the negotiations - this is what the Minister for Foreign Affairs and Trade is tasked to do.

**Deputy Joan Collins:** I was not expecting that reply from the Tánaiste. Serious concerns relating to workers' rights under the Transatlantic Trade and Investment Partnership, TTIP, have been raised by civil groups and trade unions. It seems that multinationals want the power to challenge the right of national governments to defend what they can in this area.

The Canadian Government sought a two-year moratorium on fracking when a company sought fracking rights there but that company has taken the Canadian Government to court. The key to the TTIP is that it aims to give multinationals the right to protect profits and we need a debate on this in Ireland. The Minister does not know much about this subject and I will say on the record of this House that I do not know much either. I want more information on the TTIP and it should be debated in this Chamber. The people of this country need to know and I hope the media pick up on this and investigate what is going on.

**Deputy Eric Byrne:** The Deputy should read the report of the Joint Committee on European Union Affairs on this matter. We know everything there is to know.

**An Leas-Cheann Comhairle:** Deputy Eric Byrne is interrupting proceedings.

**Deputy Eric Byrne:** I am only encouraging the speaker to read the minutes of the relevant meeting of the Joint Committee on European Union Affairs.

**Deputy Finian McGrath:** The Leas-Cheann Comhairle should give him a red card and throw him out.

**Deputy Joan Collins:** In Germany a Swedish energy company is suing the German state because of the decision to phase out nuclear power in the wake of the Fukushima disaster in Japan. Details such as this evidence the manner in which the TTIP allows transnational companies to operate. We must challenge the TTIP and Deputies in this House must learn more on the subject. This matter should be on the agenda of the House. Has Deputy Eamon Gilmore brought all of the relevant information before the Cabinet?

**Deputy Brendan Howlin:** He is not in the Cabinet.

**The Tánaiste:** Deputies Eric Byrne and Dominic Hannigan are active members of the Joint Committee on European Union Affairs. I do not know whether Deputy Joan Collins had the opportunity to attend any of the debates the committee held on this but its views have been submitted to the European Commission. I acknowledge that the issues raised by Deputy Collins are important and I think she should table questions for the Minister for Foreign Affairs and Trade, Deputy Charles Flanagan - she may have done so already. I believe the committee would be open to holding further discussions to go into greater detail on the precise situations raised by the Deputy. A detailed debate by the committee would be the best way to address the issues raised because the committee would invite people with expertise in trade areas.

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

**An Leas-Cheann Comhairle:** The Select Sub-Committee on Finance has completed its consideration of the Finance Bill 2014 and has made amendments thereto.

*Sitting suspended at 12.45 p.m. and resumed at 1.15 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;



20 November 2014

— 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."

**Deputy Brian Walsh:** I add my voice to those who have already welcomed the clarity and assurances finally brought to the issue of water charges. If I am to be brutally honest I have to say that this was not the finest hour or performance in the green jersey on the part of the Government or the former Minister, Mr. Hogan. I hope the reasonable and fair proposals outlined to the House yesterday will finally bring to a close what has admittedly been a difficult chapter in this Government's history, one in which, clearly, errors and mistakes were made that, regrettably, detracted from the Government's otherwise credible performance and record in office.

While I was somewhat surprised by Deputy Cowen's reaction yesterday - he focused on what he called a U-turn - there is no doubt that the Government has made mistakes. However, it reacted by listening to the people, addressing their concerns and trying again. I do not understand how this can be seen as a bad thing. I am proud to support a Government that listens, acknowledges its mistakes and is constantly willing to ask how it can do things better. That should be considered a strength in politics rather than a weakness.

While many people protested, the majority of the people I spoke to on this issue - I have spoken to hundreds - agree with the basic principle of having to contribute towards the cost of producing water. It is an expensive commodity to produce. We cannot continue to produce water to Ballygowan or bottled water standard only to have people spray it over the lawn or the car at the weekend. That is simply not sustainable. People accept the principle of paying something. While they agree with the principle of charging, however, they have valid concerns. There were concerns about the Irish Water set-up and their inability to contact Irish Water, as well as unfairness in the sense that part of a town or village might be metered while another part was looking at a flat charge regardless of usage. There was an inherent unfairness in that. People were concerned about affordability. Many people were concerned about the possible future sale of the utility - that is to say, privatisation. All of these concerns have been addressed in what the

Minister introduced yesterday. Why did we introduce so unpopular a measure? For far too long Governments have made decisions with one eye on the next general election, but that has not been so in the case of this issue. There are clear reasons this measure had to be introduced. In some parts of the country 49% of water leaks. There are far too many lead pipes in the system.

**Deputy John McGuinness:** It was the Labour Party's 70%.

**Deputy Brian Walsh:** The information I have been given is that it is 49%. There are too many households on boil water notices and many towns and villages are not served by adequate treatment systems. They are the reasons this measure had to be introduced. We are spending €1.2 billion per annum and cannot leave it at that, ignoring the urgent infrastructural investment required. That is what the utility company will facilitate.

Yesterday there was criticism of metering, but it is required to establish and find some of the leaks. A useful piece of information I came across yesterday was that from only 22 residential units at which meters had been installed, 1 million litres of water per day was leaking.

While this has not been the Government's finest hour, some Opposition Members have failed to cover themselves in glory either. I refer, in particular, to Deputy Paul Murphy and Sinn Féin. A majority of those who took to the streets had legitimate concerns and protested in a very peaceful manner. They will be appalled at the way in which demonstrations have been hijacked when they see some of the thuggery and intimidation around the country. I saw some of these guys in Galway. They are serial protestors who had followed the Taoiseach and Ministers around the countryside with their recycled Sinn Féin and AAA election posters, abusing, spitting at and kicking Irish Water workers. I heard yesterday that some Irish Water workers had been followed and intimidated outside their family homes. They were trapped in vehicles for up to 12 hours at a time. This is the unreasonable behaviour that has occurred. While people share the concerns of Deputy Paul Murphy and his associates and oppose what they oppose, they do not support the intimidation and thuggery he has supported. Fair-minded people had concerns and I am confident that they have now been addressed through the measures outlined to the House yesterday.

**Acting Chairman (Deputy Olivia Mitchell):** We now move to the Fianna Fáil speaking slot. I understand Deputies Billy Kelleher and John McGuinness are sharing time.

**Deputy Billy Kelleher:** Listening to the debate not only in the past few days but also in the past year, it is evident that the Government is now making up its policy on water services on the hoof and in panic mode. The idea that Members can come to the Chamber and try to convince themselves that this is a strategic way to address how we supply water to the people and businesses for the foreseeable future is farcical nonsense. I perused the document put forward by the Minister for the Environment, Community and Local Government, Deputy Alan Kelly, who wants to leave a legacy in terms of Irish Water but nothing in it indicates that there has been any strategic thinking about the provision of water.

A simple case in point concerns metering. The Government has installed €500 million worth of meters which will not be used for at least the next three or four years because it has been decided to introduce a flat charge. That is the Government's decision. The idea that there will be conservation or an incentive to conserve water is nonsense. That anybody can convince me or thousands of people that in some way water will be conserved when there is a flat charge is nonsense. In fact, it is insulting to suggest it will incentivise conservation. The only way to

incentivise it is through the goodness of people themselves who make the effort to do it. There is no remunerative incentive available from the Government. People will go on using water as is. Some will be able to abuse the situation and use all the water they like while paying the same charge. There is no incentive. It is simply nonsense for anybody to suggest otherwise.

In its panic in the past few days in trying to arrest the difficulty it was in, the Government made yesterday's announcement. The Minister, Deputy Alan Kelly, had the good grace to attend the Dáil for a period of time to outline it. We thank him very much and were humbled by his presence. We listened to him outline his legacy. The bottom line is that I will receive €100 from Irish Water because I have a private well and a septic tank. I will be paid €100 by the Government some time next year that I did not seek and which I do not really need. There are many others who might need that assistance in some other way. There are 700 people who are homeless in the city of Dublin tonight, yet I will be paid €2 every Saturday night for my bath. Why does the Government not supply the Radox while it is at it?

It is farcical to suggest this as a policy in the first place. It is ill-thought out and was ill-conceived. This is not a document that was forced on the Government. It was drafted in Bord Gáis Energy's headquarters in Cork by Deputy Simon Coveney when he was in opposition. He is now a Minister. That is why Bord Gáis Energy was to be its surrogate. The farcical nonsense to we have to listen here from time to time beggars belief. Why was the advice offered by PricewaterhouseCoopers rejected by the Government? The very people it sought to advise it on the establishment of Irish Water said linking it with Bord Gáis Energy was not the right way to go ahead, yet that advice was rejected. That is why the Government is in this hole. Now that it has stopped digging, it has decided to fill it in on top of itself. That is where we are.

For the next seven years every cent that will be collected by Irish Water will go to pay for itself before one leak is fixed or one lead pipe is replaced. That is the statistical fact, no matter how the Government dresses it up. It is impossible to extrapolate any common sense, logic or reason from this and the Government is now to pay me €100 to have a bath every Saturday night. On what planet do we live? The idea proffered is that conservation measures will be implemented and that we will have a state-of-the-art water system, but that is not the case. We will have a state-of-the-art water collecting system, but we will not have a state-of-the-art water delivery system. The Government will have Uisce Éireann, Irish Water, in its fine offices as a bloated entity that will pay for itself for the next seven years. That is to what the full revenue from water charges will go. One can work it out any way one likes.

We now have €500 million worth of meters in holes in the ground with no incentive to use or even read them. We do not know what contracts Irish Water has entered into and cannot find out. It is unbelievable we are standing in this Parliament discussing an entity and unable to find out what contracts it has entered into, how much they will cost and what contingent potential liabilities face the State.

The Government can dress up the accountancy figures any way it likes and has tried to do so in pretending it has obtained EUROSTAT clearance. We now find out that it does not have clearance but may obtain it by next March. Then again, it may not. Either way, if it goes sour, the State will be liable.

Today is a very sad day given the hypocrisy that is offered here as being constructive, a legacy, investment in infrastructure and building for the future. No generation of politicians can adjudicate on their own success impartially and pat themselves on the back. The genera-

tions that come after them will adjudicate, fairly or otherwise, on whether their policies were successful. Although this is no vantage point, from where I stand, Irish Water and the Government, since it bullied this legislation through the Dáil this time last year, has been nothing but a gratuitous insult to everybody in this Chamber and everybody who has been protesting and expressing views. These concerned people are looking aghast at the hypocrisy and deceit of the project. I am still to be convinced that it is anything other than dressing Irish Water up for sale in years to come.

**Deputy John McGuinness:** In the context of what was done before the Government's time, during the initial stages of this long debate, the Government and Department were warned time and again about the difficulties they would face in the establishment of Irish Water. Another debate was conducted in the Chamber while the Government parties were in opposition and continued when they went into government. It was about the burning of the quangos. They were all to go. The Government has just committed itself to the creation of one of the biggest, most costly quangos that has ever been established in this country.

The Government has rowed back on the charges and plan it outlined earlier. I do not know any business that would turn around mid-stream and do what the Government did yesterday. Having established the business model based on the income it was going to achieve from metering water, it spent more than €500 million installing the meters. Then, it reduced the cost of the water to a point where I cannot see how it will sustain a company the size of the one created based on the older cost model which was far greater than the cost the Government announced yesterday. Nobody would do it.

During the Order of Business, the Tánaiste said it would cost €2 billion to roll back on Irish Water. Somebody independent - not the Government nor Opposition - must take all the Government's figures and analyse them. Yesterday, the Minister spoke about his legacy. While I do not know about that, let us talk about the Government's legacy. Given that the Government has made such a shambles of the first initiative on Irish Water, and compounded the problem with yesterday's announcement, would it not ask somebody to analyse the figures and do a value-for-money audit? Would the Government not hand all the paperwork to the Comptroller and Auditor General and ask him to analyse and present the figures in an unbiased and independent way to the Irish public so they can see, at first hand, the costs of it? Having listened to the contributions made by Irish Water to committees, the cost is staggering.

Irish Water does not know where it is going. The Minister's predecessor told the company the direction in which it was to go and specified the model and costs, however, yesterday, the Minister took the floor out from under the company. It cannot survive on the amount of money the Minister described to us yesterday. Irish Water should be abolished. Let us return to where we came from, namely, the county councils. The Government has handed all the corporate knowledge the county councils had to Irish Water for free. It has handed all the local authorities' assets, which belong to the Irish people, to Irish Water. Then, the Government added insult to injury by asking the Irish people to pay for it. It is unbelievable that this is what the Government has achieved.

Quite rightly, the Irish people will reject what the Government suggested yesterday and demand that the old structure, properly funded, would do the trick. The Government is falling into the same trap as others, namely, off balance sheet. It is the same thing; it is taxpayers' money. If Irish Water goes broke tomorrow morning, the Government, or rather, the Irish taxpayer, will pay for it. It is just a fancy way for the European Union to doll up our books and make them

look good across the European Union and it will not work. The Government talks about legacy. Would the legacy of the Government not be better if it was really transparent and asked the Comptroller and Auditor General to analyse the figures? It should also put Irish Water under the remit of the Comptroller and Auditor General so that it would have direct accountability to the House. Although I do not agree with Irish Water, which should be abolished, given that the Government is intent on going forward with this, Members of Parliament have a right to examine the spend of Irish Water and to know where it is going. The Government says it is full of interest in reform. This would be a fine piece of reform, offering transparency and accountability, that it could achieve with the stroke of a pen.

I have heard it argued here this morning that the meters will measure the leaks. County councils all over the country have been putting meters on their mains pipes to measure the flow of water, identify whether it increases or decreases and indicate whether a line may have to be inspected. Nobody would pay the amount the Government has paid to install the water meters just to locate a leak. What the Government is telling people is untrue. If anybody who is paying for water wants to identify a leak, they will get in a bit of technology and do it, or their meter will show a graph and they will have to pay.

There are other hidden costs, for example the 20 pages a customer must fill out to register a grease trap, at a cost of €390 to be paid to Irish Water. The nonsense the Government put about here yesterday was just that, nonsense. If the Government removed the layer of bureaucracy it has created and the cost involved, it would reduce it to the same management structure the councils have, but funded. There would be no Irish Water and no charges. It can be achieved through figures substantiated by the Comptroller and Auditor General, if the Government asks him, and then we will all know what we are debating.

**Deputy Michael McNamara:** Listening to what Deputy Billy Kelleher said, I was reminded of the words of an Irish dramatist of considerable genius, Samuel Beckett.

**Deputy Billy Kelleher:** Thank you very much.

**Deputy Michael McNamara:** You are very welcome. Like the Deputy, Samuel Beckett acknowledged that it is very difficult to judge what happens today, that only in hindsight can one judge things. He said:

Let us not speak ill of our generation, it is not any unhappier than its predecessors. Let us not speak well of it either. Let us not speak of it at all. It is true that the population has increased.

That is the kind of debate we are having about Irish Water and the failures of this, the previous and numerous other Governments to deal with water. “It is true the population has increased”, and we have to deal with it. Those words come from “Waiting for Godot”, which is a tragicomedy in two acts, or at least that is what it is called.

**Deputy Billy Kelleher:** Fine Gael and the Labour Party.

**Deputy Michael McNamara:** I was going to say it is a little bit like Irish Water, and maybe Fine Gael and the Labour Party, to a degree, are like the two protagonists on stage. They struggle forward and they struggle with the great existential angst of their time, and eventually they decide-----

**Acting Chairman (Deputy Olivia Mitchell):** You have ten minutes, Deputy.

**Deputy Michael McNamara:** I am using my ten minutes. They decide they have to go on and they have to struggle, and they do, in much the way that Governments tend to do.

**Deputy Barry Cowen:** At great expense.

**Deputy Michael McNamara:** Perhaps at considerably less expense than the tragicomedy of the two shades of green which preceded the Government.

**Acting Chairman (Deputy Olivia Mitchell):** Can Members speak through the Chair, please?

**Deputy Michael McNamara:** There may have been emotional expense, but considerably less financial expense will be incurred. At least this show, if it can be reduced to such a cynical metaphor, will not bring the company down. We will not have to have outside intervention at the end of it all, hopefully. As with any tragicomedy, there are serious undertones and issues. Water and the necessity of dealing with it are very serious issues. Water is a basic human need.

Deputy Cowen mentioned expense. One of the greatest ignominies suffered by the State was on 8 December 2010 - Deputy Cowen was not here but Deputy Kelleher would have been - when the conditional framework for financial support was agreed with the troika. On 15 December 2010 they all went through the voting lobbies to ensure it was binding on future Governments. Page 9 of the memorandum of understanding states: "We are also planning to move towards full cost recovery in the provision of water services." Page 26 states: "The Government will have undertaken an independent assessment of transfer of responsibility for water services provision from local authorities to a water utility." While I appreciate where Deputy McGuinness is coming from, and the rationale for retaining water services, I remind him that on 15 December 2010 he, along with his colleagues who were in government, voted for that.

**Deputy John McGuinness:** At least I did not fall asleep in the chair.

**Deputy Michael McNamara:** Deputy Cowen was not in government at the time but still supported the Government. Deputies voted to transfer responsibility for water services provision from local authorities to a water utility and to prepare proposals for implementation, as appropriate, with a view to commencing charges in 2012-13. All of that happened after 1997, when the parties in government decided to abolish water charges. There is a kind of ping pong and, not unlike a Beckett play, people repeat themselves, carry out the same actions as a previous character and say the same things. There is a lot of repetition and farce involved. That has been the history of the provision of water services in this State until now.

I will not defend Irish Water and the manner in which it was introduced, no more than Deputy Kelleher will defend what he voted for-----

**Deputy Billy Kelleher:** Ping pong.

**Deputy Michael McNamara:** Ping pong?

**Deputy Billy Kelleher:** That is what you said, and that is what you are doing now.

**Deputy Michael McNamara:** I started my contribution by saying that we are not any better or worse than future generations. I am not claiming credit; I am pointing out what is happen-

ing. As to the degree of ping pong, we are all actors on a stage, or so it seems sometimes here.

Many positive measures were introduced yesterday. Up to now I have heard many people say that water is provided from general taxation and ask why there should be a charge. It is not accurate to say that water has been provided from general taxation up to now. It has been provided to some from general taxation. People's means, or ability to pay, did not determine who received water; rather, it was based on where people happened to live. There were three means of providing water in Ireland: the mains supply in towns and cities, group water schemes in outlying areas of towns and cities, and wells. Everybody, whether they received their water through a well, a group water scheme or a mains supply, paid the same level of taxation. At least now the provision of all water services will receive a subvention from general taxation.

Everything is not equal, because Irish Water will continue to receive a large subvention from the State for the immediate future. How long that continues will be determined largely by the make-up of the next Oireachtas, the one after that and so on. Group water schemes receive subventions from public taxation but wells do not. Deputy Kelleher outlined the fact he has a well and does not need the money. I also come from a farm and I know many farms have wells. Not everybody who has a well does not need the money. Many people with wells can barely afford to keep-----

**Deputy Billy Kelleher:** Give it to them.

**Deputy Michael McNamara:** The fact that these people are getting money for the first time for the provision of water is a good thing and is to be welcomed. People who get water from group water schemes have had to pay without being able to avail of an inability-to-pay clause up to now. There was no inability-to-pay clause for those with their own wells. A person could call a plumber and if the plumber had a social conscience he or she might have fixed the well, despite the fact that the person who called him or her was not able to pay. I am sure many plumbers across the State did that in particularly deserving cases, but there was no inability-to-pay clause. It brings a degree of universality to the provision of water services, something I welcome.

Deputies Kelleher and McGuinness referred to futility. Deputy McGuinness, having argued against what he voted for in December 2010, left the Chamber.

**Deputy Billy Kelleher:** He is attending the Committee of Public Accounts.

**Deputy Michael McNamara:** I thank Deputy Kelleher for the clarification. I have almost lost my train of thought.

**Acting Chairman (Deputy Olivia Mitchell):** I am not surprised.

**Deputy Michael McNamara:** They referred to the futility of installing water meters. Anybody who has a metered water supply on which he or she relies and finds that it is cheaper to go onto a metered system can do so. It is not futile. Meters do and will have an immediate water conservation purpose.

**Deputy Billy Kelleher:** It is entirely futile.

**Deputy Michael McNamara:** It is not at all futile.

**Acting Chairman (Deputy Olivia Mitchell):** Deputy, you are behaving like a corner boy.

Allow the Deputy who has the floor to speak.

**Deputy Michael McNamara:** I would have said a character in a Beckett play. They say exactly the same things and do the same things over and over, which is sometimes how this works.

As I said, a serious issue underlies all of this, namely, the fact that successive Governments, be they Fianna Fáil and the Green Party, Fianna Fáil and the Labour Party or Fine Gael and the Labour Party - we have not had a Fine Gael and Fianna Fáil Government yet - have, for various reasons, not invested sufficiently in our water infrastructure. As a result of that, there are 42 urban areas with no treatment facilities or preliminary treatment only. There are 28 towns each with a population of more than 500 people which have no treatment facilities or only preliminary treatment, including a number in Clare such as Ballyvaughan, Clarecastle, Kilkee, Kilrush and Liscannor. Tourism is key to those towns. Are we seriously saying that in the future we will try to lure tourists to come to Ireland to look at raw sewage being pumped out in the Atlantic, or will we do something about it for the first time? I would like to think we would do something about it.

**Deputy Robert Dowds:** There is no question that water has become the totem around which people's frustrations about all the cutbacks have been hung. It is a huge pity that the introduction of Irish Water has been such a disaster up to this point. In that regard, I commend the Minister, Deputy Kelly, on the work he has done. He has tried to straighten this out to the maximum degree and I commend him for the work done in that regard. If we can get to a situation where raw sewage, as mentioned by Deputy Michael McNamara, can be dealt with properly and hygienically, where the pipework in this city can be replaced and where we no longer have from 40% to 50% of water leaking into the ground, this will have been a good day's work, but there is no doubt that there is a great deal of work to be done by the new entity, Irish Water. I am glad that the Minister and the chief executive of Ervia recognise the huge amount of work that must be done.

I would like to make some suggestions for Irish Water. I have faced huge frustration in trying to deal with it on minor matters of broken pipes and non-functioning sewerage systems. It must put a system in place to deal with these issues. This would best be done through the county councils, even if the staff are technically Irish Water staff. It should be possible for anybody to ring the county council and be put through to the relevant official to have his or her problem dealt with quickly. This must be done and it would help to establish confidence that Irish Water is working for the people. It would be very helpful if we could get to that stage. Will the Minister try to ensure we reach a situation where when one rings the county council, one will not just be redirected to Irish Water to make a complaint which will then come back through the county council?

**Deputy Brendan Howlin:** That will be done.

**Deputy Robert Dowds:** I appreciate that because it will relieve one source of frustration.

I have another suggestion regarding conservation. The Department of the Environment, Community and Local Government, Irish Water or a combination of the two should publish practical suggestions on how people can conserve water, whether through water butts, rain-water harvesting or some such measure. Any such suggestions would show a positive attitude towards trying to get to a situation where we have adequate water supplies.

I condemn some of the actions that have taken place in the past few weeks. I fully recognise



the right of people to protest peacefully and commend the 100,000 and more who took to the streets to make their protest felt. Many of their concerns have been responded to through what the Minister has proposed. However, I cannot condone the protest that took place around the Taoiseach and, in particular, the Tánaiste when Deputy Paul Murphy organised a rabble which could have led to a death. This is unacceptable in Irish politics. We should never move from the acceptance of full democracy. The right of people to move about freely is part of democracy and we must resist going down a route that denies this right. People can express their annoyance and hopes through the ballot box, as has been the practice. This is one of only four countries in Europe that has had continuous democracy since the time the State was founded. We want to keep it like that.

**Deputy Pearse Doherty:** I wish to pick up on the point made about people expressing their hopes and fears through the ballot box. It is right that they should do this and I am sure they attempted to do so last time around, but some of their hopes and fears were dashed. It is also legitimate for these individuals to come out on the streets to express their hopes and fears in the peaceful and organised way in which tens of thousands of citizens the length and breadth of the State have been doing in the past few weeks. They will continue to do so up to 10 December and beyond. I hope Members will encourage citizens to express themselves in that way, rather than wait until the next general election to make their judgment on what the Government is doing.

I want to focus on some of the statistics behind the announcement made by the Government on Irish Water and its scramble to persuade the public that it is doing enough to allay its fears. This attempt at persuasion will fall on deaf ears. This is the case for the majority of people with whom I have interacted and with whom I have been on protest marches. It is a measure of how constrained we are by EU rules and diktats that a debate on how we supply the country with clean water is dictated by rules and regulations set by unelected, unaccountable bureaucrats hundreds of miles away. That is what shapes much of the debate.

We need to be honest and admit that, off or on book, the people will be borrowing to invest in infrastructure. There is nothing wrong with borrowing to provide an essential right for the people, whether it is done by the Exchequer in the name of the State or by Irish Water which is completely owned by the State. However, we have reduced this discussion to accounting rules; therefore, let us be honest about the lack of sovereignty we now enjoy. Nevertheless, there is always an alternative and Sinn Féin has shown and will show that on this and other issues there are alternatives.

Let us look closely at the figures the Government has scrambled to produce. The Government and Irish Water state €229 million will be brought in through non-domestic charges. In 2012 the local government management authority stated the average collection rate was 55%. If Irish Water can do no better than this, we are looking at it only bringing in €126 million. It is counting on receiving €271 million from domestic customers, but this figure takes no account of those who cannot and, therefore, will not pay.

The Government's operating expenses subvention is cited as being €399 million, but this figure does not include the almost €60 million it will refund to local authorities because Irish Water has now been deemed exempt from paying commercial rates, or does it take into account the €100 that may be paid to each household to offset the running costs of Irish Water, which for 1.8 million houses would amount to approximately €180 million. This €100 is laughingly called a water conservation grant. In what was published yesterday by the Government this

€100 can be used for “fixing leaks, changing dripping taps or installing dual flush toilets”. Is this what the Government is hoping will get its plan over the line? Is it going to tell the European Commission’s accountants that this €100 is about water conservation, rather than offsetting bills? On the one hand, it is suggested it is all about water conservation and has nothing to do with the water charges, but then the Government tells us the water charges are €60 and €160, not the actual charges of €160 and €260. The difficulty for it is that it cannot link this support payment with water charges because it would then be included in the Government subvention and fail the market corporation test. I have heard the Minister, Deputy Alan Kelly, say it is right and fitting that all households, regardless of their use of water and sewerage facilities, will receive this €100, as if it was the Government’s intention to do so. The reason it is being done in this way is if it were to do it any other way, it would fail the market corporation test.

The Government thinks it is playing a clever game, but accountant bureaucrats in Brussels do not have much time for the nod and wink politics by which Fine Gael and the Labour Party have ruled for the past three and a half years. The Government is panicked and playing a dangerous game. It knows this. The game it is playing is to tell the public it will provide people with €100, but this will be a sweetener to the bitter pill they will see in terms of their water charge bills.

*2 o’clock*

However, there is no guarantee the €100 payment that will be made to each household will not be deemed by EUROSTAT a subvention to Irish Water because of how closely linked it is to water charges.

The reason I say the Government is playing a dangerous game is that the Government tried something like this already - it tried it before and it failed. In March of this year, when I queried the classification of a €240 million payment to Irish Water, which the Minister and the Government said was an equity investment, the Minister, Deputy Noonan, told me the following: “It is expected that the investment will be classified as an equity injection by EUROSTAT and therefore not impact the general Government deficit.” Only two days ago, when I followed up on my statistical query, he told me:

For statistical purposes, following discussion with the CSO, the start date for Irish Water was taken to be 1 October 2014. As a result the €240 million was not treated as equity and no shares have been issued.

Let us clarify what that meant. The Government last year tried to invest €240 million in Irish Water and keep it off the Irish books. When I queried that this was dodgy, it said categorically it believed this would pass the EUROSTAT rules. Not only did it not get past EUROSTAT, it did not even get past the CSO, which said the Government was wrong and that, as it calculated Irish Water from 1 October, the €240 million would have to be put back on the books.

This is why I am not convinced that what the Government is planning to do will actually fly at European level or, if it does, that it will fly long-term. There is a very simple and basic demand which somehow the Government cannot hear or will not respond to, and that demand is the right to water and the scrapping of water charges. This, and only this, is what will appease the greater number of Irish people. It is something the Labour Party Members in their contributions failed to understand. We have seen the statistics. Some 26% of two-adult households are living in deprived conditions yet the Minister who is present, Deputy Howlin, and

his backbenchers, who follow suit, are happy to place those families with another €260 levy, or €160 if they get the €100 rebate. They cannot even afford to pay the bills they have, never mind this bill. It is time for the Government to come down from its ivory tower and listen to the people's demands.

**Deputy Jonathan O'Brien:** Many people were waiting on yesterday's announcement and some were hoping the announcement would go further, as even the Minister, Deputy Howlin, will recognise. I listened to the speech from start to finish and I re-read the script last night. In the opening lines the Minister talked about emotion and anger as opposed to prudence and common sense. The emotion and anger that has been shown by the tens of thousands of people who have taken to the streets right across this State to voice their opinion in a very peaceful and channelled way in recent weeks and months is not going to subside as a result of yesterday's announcement. That is my honest belief.

I base this on a number of things. I attended many of those protest marches and I have spoken at length, as I am sure the Minister has, with many of those people who raised concerns in regard to water charges in recent months. I am not for one minute suggesting it is only Members on this side of the House who understand the fears and concerns that people have, and I am sure those fears and concerns have been relayed to every Member of this House, including members of the Cabinet, whether through their constituency clinics, through private chats in their own free time or through official correspondence to their Departments.

The fears and concerns, or at least those that have been expressed to me, have been around a number of issues. One issue is the question of affordability and another is around a principled stance against water charges, and I do not believe either issue was resolved yesterday. Tens of thousands of people did not take to the streets with placards saying: "Can we have concessions?", "Can you reduce the price?" or "Can you set up a people's forum of 60 people who can engage with Irish Water to help them with their PR strategy in a communication message?" That is not what people took to the streets to demand; what they took to the streets to demand was the abolition of water charges.

Nobody I spoke to said that we should not invest in our infrastructure. Everyone recognises the need for that and it is probably the only issue that everyone can agree on in this debate. We need significant investment in our infrastructure to ensure we can provide people with clean water, which is a basic human right. Therefore, yesterday's announcement is not going to satisfy those individuals.

Some of the announcements that were made yesterday by the Minister go to the very heart of why people will not take on board what was said. There is a huge credibility issue for the Government when it comes to this issue, as on many other issues. To focus on this particular issue, however, we were initially told we had to have PPS numbers and the system could not work without them, yet we are now being told we do not need PPS numbers. We were told the charges which were set by the regulator were needed in order to gain the funding to help build the infrastructure, yet we now see those charges being dropped and capped. On the issue of privatisation, which was a concern of many, we were told it is not a concern, it is covered in the legislation and nobody need have any fear as it is never going to happen, yet we had the Minister stating yesterday that additional legislation is to be brought in, almost like a double safeguard. Anyone who read the initial legislation would know it did not prevent privatisation. Even what the Minister is now proposing leaves the option of privatisation on the table and the only way to remove that option is by holding a referendum. The fact the Government is refus-

ing to do so will leave many people with the opinion it is still a very live option for this Government, maybe not in this term but, if it has hopes of being re-elected, it could do it further down the line. However, the fact it is a possibility is of concern to people.

With regard to the people's forum which was announced, many will view it as no more than a talking shop - that is the reality for people on the ground. If the Government is so concerned about hearing people's views on this issue, if it is so committed to having people give their opinion and having their say on this issue, then it should call a general election. It will then hear very clearly what people are saying on this issue of water charges and Irish Water.

The proposal to allow landlords deduct unpaid charges from deposits is a very low, despicable act. Does the Minister realise how difficult it is for some tenants to get back deposits from landlords as it is, without not just making them *de facto* debt collectors but actually giving them the power through legislation to deduct this? It is simply unacceptable.

Yesterday was all about giving clarity and certainty as far as this Government was concerned. People are very certain of four things following yesterday's announcement: first, the introduction of water charges is going ahead; second, the rollout of the metering system is going to proceed; third, the only way charges are going is up; and, fourth, there is still no constitutional safeguard in regard to the provision of water. That is what people are demanding and that is what people on the Government side should have heard from the various protests. They did not and on 10 December, people will come back on to the streets and say it even louder and maybe, just maybe the Government might begin to listen.

**Minister for Public Expenditure and Reform (Deputy Brendan Howlin):** I am pleased to have the opportunity to make a contribution to this debate. It is an important one with significant long-term implications for our society. Primarily, it is about water. It is about the right to water - not the water that falls from the sky but the water that is cleaned, treated and delivered to our homes. It is a human right but so also are electricity, housing and heating in general. All are scarce. However, it follows also that something so precious to human existence like water warrants protection. It warrants conservation. I am also a right to water man. I believe in the right of future generations to good-quality and sufficient water. I believe in the right of the current generation to clean water, a right denied to too many of our citizens. It is well past time that we tackled this problem as a national problem. Nobody disputes that we have underinvested in our water and sewerage systems to date.

It is time we sought to vindicate this human right about which people the length and breadth of our country have voiced such strong views. That is why this Government established Irish Water as a single entity to address this real and pressing issue. If we are serious about tackling our water problem, we could not leave it in the hands of 34 different water authorities competing for scarce resources alongside other pressing needs.

One of the more frustrating aspects of the water debate in recent months is the fact that the current state of our water supply has been used as a stick with which to beat Irish Water. The opposite is the case. The current state of our water supply is the reason we need Irish Water. We have not invested enough in water and that is evident across the country. We do not have the same problem with electricity despite the huge growth in demand in the Celtic tiger years. When problems emerge in the electricity supply system, they are fixed. The ESB raises its own money to fund investment and does so successfully.

With Irish Water, we are not taking a risk. Wholly owned Irish semi-State companies have a proud history in this country. The ESB transformed the lives of Irish people, particularly in rural Ireland, throughout its years of existence. The semi-State model is the natural choice for the challenge of delivering quality water and sewerage services in this century. A single operator, publically owned and controlled, is the model to deliver this country's water requirements into the future - water that will determine not just the quality of our domestic lives but our capacity to develop economically and grow our standard of living for all our people.

The package the Government unveiled yesterday for Irish water is a reasonable one. To reference the previous speaker, it is affordable - demonstrably so. The net cost to a single-person household availing of the water conservation grant will be just over €1 a week. The comparative maximum charge to be paid by a household with two or more adults will be just over €3 a week. To use an old benchmark, this is less than the price of a pint. The package also provides certainty about the future. It not only provides for a maximum charge up to 2018, it will provide future Governments with the opportunity to set further maximum charges commensurate with the needs of the time. The cap will be a permanent legislative provision. If my party is in government, our focus will remain on affordability. It will be for other parties to determine their own priorities and to seek support from the people on this basis.

The package also offers additional certainty about Irish Water remaining in public ownership. It asks this House to offer a solemn bond to the Irish people that they and they alone can ultimately change the ownership of their water company should some future Government decide to do that. The package preserves the incentive to use water efficiently. Those households whose metered usage is lower than the cap will be refunded by Irish Water in due course.

The package will keep Irish Water off the Government balance sheet. Why is this important? It is important because it is important to plan for the future. The reason why there has been underinvestment in water for decades is because it has had to compete with other above-ground demands. As Minister for Public Expenditure and Reform, I am conscious of the pressures on the public purse. They are many. The demands of our economy, people and infrastructure are huge and we cannot pay for them all at this moment. Were our investment programme for Irish water on balance sheet, it would put pressure on our capacity to invest in other needs like schools, hospitals, roads and public transport.

The problem with our water system has been a long time in the making. We found ourselves in an economic mess six years ago because we lived for the day and forget about the future. We have worked hard as a people to get ourselves out of this mess and if we have learnt one thing, it is that we do not want to make short-term decisions now. I understand why people have been fearful of this initiative. The Deputies opposite are right. Like every other Member on this side of the House, I hear the real fears and concerns of people. It comes at the end of an unprecedented difficult time for the Irish economy and all Irish people and has impacted on a huge number of people's living standards. Might things have been different had it been done earlier? I am not sure. In the Irish view, there is something intrinsically important about water. However, the Government has moved to allay and address those honestly expressed concerns. I believe that people understand why we need to change fundamentally our water delivery system and I hope and believe these measures will address the vast majority of genuine concerns people have.

I know it will not satisfy everybody. There are some who believe that water should not be paid for although they know that there is a real cost in providing clean water and proper

sewerage. There are some who see water charges as the latest weapon with which to challenge their political opponents. These same people do not aspire to serve in government. As a consequence, they do not focus on or think of solutions, only opportunities. They accept no responsibilities. They are pseudo-revolutionaries. They fight with each other on a purity scale. Deputies Adams and McDonald are latecomers to this business. I advise them to be wary of their newfound friends who already describe Sinn Féin as the establishment lackeys in waiting. The calling of names is an all-important part of their game.

I have listened to the debate about double taxation for decades now. Its attractiveness to its proponents is easy to understand. It fits every argument, every cause and every loudhailer. Energy pricing is double taxation, VAT is double taxation, property tax is double taxation and the television licence is double taxation - it goes on. They seek to destroy, not to create; to bamboozle, not to explain; and to terrify rather than assure. In recent days, they have taken to determining where and when citizens of this State can go and when they can leave. They cite their democratic rights and seek to deny those of others. Their mandate is better and somehow purer than our mandate. Some of them seek to provoke gardaí. They think it is okay to verbally denigrate women. They have little regard for bystanders. They masquerade on the left and deploy the bully boy tactics of the right. There are some in the media who seek to decry this country and point only to its failures, never its successes. However, I never had truck with the kind of behaviour we have seen in recent weeks. We made a liberal democracy out of this State at a time when it was not fashionable to do so and we will not stand aside as a people and see this fundamental governing principle of our State undermined by those supposedly elected to uphold it.

The progress we have made in the last five years has been remarkable. We have gone from being the sick man of Europe to its poster child once again. I hope we have learnt enough to be wary of such a tag because it carries its own risks. Economic growth has returned, employment is growing and we have been able to make small reductions in the income tax burden and increase spending in a number of important areas. These are not economic clichés. These measures will impact on people's lives in the future and, in some cases, are already doing so. If we are prudent and sensible we will be able to continue to make progress but otherwise we run the risk of going backwards. I readily accept that we have not yet been able to undo all the things we needed to do to correct our broken economy. That will take time, and most sensible people know that. In some cases we simply need to do things better than we have ever done in the past but, as a people and a society, we have turned a corner. Dealing with our water and sewage treatment needs for this century is a part of that ongoing challenge. Environmental change is not going away. We all know that. We will, for example, see the need to increase our spending on flood alleviation when the CFRAM report comes before the House in a number of weeks.

The decision to establish Irish Water was the correct one. Thereafter, I readily concede that we have made significant mistakes. This is an exercise which should have been conceived of in terms of years and decades rather than months. I commend the Minister, Deputy Kelly, for the forthright way he has addressed these issues since taking office. I commend his courage in standing by the principle that issues with our water supply are crucial issues of our time that need to be addressed. The package which the Minister has announced is proof that the Government has listened to the concerns voiced by the decent people who marched, contacted our offices and spoke to us directly. There are many who have characterised the Government's actions as a climb down or a change of heart. So be it. It is not the first mistake I have made in my political life and I am sure it will not be the last. Omnipotence is overrated. However, I can

say, hand on heart, that throughout my political life I have sought to make all of my decisions in the long-term interests of my country and the people who elected me to this House. This set of decisions is just one more.

**Deputy John Halligan:** As a member of the Right2Water campaign, I disassociate myself from some of the scenes in Jobstown last week. I spoke with the Minister for Social Protection an hour ago. It is unacceptable that a woman should be locked in her car for two hours by a tiny minority of militants. The behaviour of some gardaí was also unacceptable, particularly the two gardaí whose treatment of a different woman was broadcast on a number of television programmes. This woman was forcibly thrown against a post and could have been seriously injured. I have no truck with violence from either side.

The demonstrations which took place two weeks ago attracted 7,000 people in Waterford city, 800 in Portlaw and another 800 in Dunmore and Dungarvan, despite torrential rain. I spoke at the demonstration or protest - call it what you like - in Waterford city. At the end of the protest I met a businessman from Waterford and his two daughters. This was a decent man who employs 14 or 15 people. He told me that while he could afford to pay the water tax he was not going to do so because he and his family have had enough. This is the reason why so many people came out on the streets to protest in the last several weeks. It is not essentially about water. Water is the catalyst that drove people over the top. Ordinary, decent people, including the 150,000 who have marched all over the country, are saying enough is enough. The businessman told me he had enough of untruths, false promises and cronyism. The former Minister for the Environment, Community and Local Government made a hash of this issue but was rewarded with a better paid job and the security of not having to face the electorate in the next election. People thought all of this had gone away. We have a health service that some people regard as meeting almost third world standards. Some months ago in Waterford city, a dying woman spent her last few hours in a ward shared with five men watching a football match. The ward's toilet was blocked. This woman was in the VHI but was unable to get a private room. She did not die in dignity. Her husband and daughter were on the march. The husband said he was marching because of the way the Government treated his wife. The Minister for Health will be aware of this because a letter was sent to him.

Is the Government not getting this? It is about more than water. It is about the huge companies which tell the Government they will pay whatever amount of tax they feel they should pay, as well as the individuals who are not paying any tax. Documents provided by the Minister for Finance in reply to a parliamentary question indicate that the top 1% of income earners in Ireland enjoy a gross income of €8.742 billion, average earnings of €462,000 and an effective tax rate of 26%. The top 10% of earners have a gross income of €29.6 billion, average earnings of €160,000 and an effective tax rate of 24%. Is it any wonder that people are protesting? Does the Government not understand that they have had enough?

The lady who wrote a letter to the *Irish Independent* describing how an exhausted mother had been pushed too far has been extensively quoted but one comment may have been missed. She wrote: "Our reasons for not protesting before were exhaustion, anxiety, fear and not a minute to spare, but this is where it ends." Judging from the e-mails and texts we are all getting, there will be a huge demonstration on 10 December. It will not be solely about water; it will be about low and middle income earners who have had enough. They see former Ministers living outside the country, in the United States or elsewhere, and having their pension payment sent to them. They see former bankers holding onto their homes, salaries and bonuses. In the meantime, ordinary people, housewives, those working 40 hours per week, are struggling with

nothing. The Government is saying to these people that they will have to pay only €3 or €5 per week for water. Of course, the property tax, too, is “only” €5 per week and the universal social charge is “only” €3 to €5. When all of these charges are added up, however, they amount to a cost of €20 to €30 per week for hard-pressed families, the very people the Government has acknowledged are suffering. There are 700,000 people in this country living on the poverty line, according to the OECD, including 250,000 children. The Government is saying to all these people and to middle-income families who cannot endure any more pain that they need only give another €3 or €5. The reality is they do not have it and will not give it.

Even if everybody pays the water charge, the Government will have won the battle but lost the war. People will remember why they paid and why they should not have had to pay in the first place. When the next election comes around, they will remember what this Government did to them. People have been made ill and some have even died because of the way they have been treated in the past six or seven years. This Government is not just a lame duck. As a man said to me this morning - it might sound a bit smart, but he is right - this Government is, in fact, duck *à l'orange* or, to put it simply, a dead duck.

**Deputy Richard Boyd Barrett:** Government Members say they listened to what people were saying in recent weeks. Following the package of proposals announced by the Minister, Deputy Alan Kelly, yesterday, it is absolutely clear this is not true. All roads now lead to the demonstration organised by the Right2Water campaign, for which I am a member of the steering committee, for 10 December. The Minister for Public Expenditure and Reform, Deputy Brendan Howlin, tried to tar all the protests that have taken place in recent weeks as violent, with reference to “sinister elements” and so on. The Right2Water campaign has held two of the largest demonstrations in the history of the State, both of which I was directly involved in organising, and both were entirely peaceful and without incident.

The demonstration on 10 December also will be entirely peaceful and without incident. Instead of seeking to muddy the waters, Members opposite should listen to what the people taking part in these protests have said and what they will say again on 10 December. In short, they are saying they want water charges abolished. Instead of listening to that message, however, the Government came out yesterday with a shambolic and dishonest attempt to deceive the people as to its real intention, which is to get citizens on the hook for these unfair and regressive water charges and, on that basis, to continue the process of unfairly extracting a regressive tax that is bound to increase continually in the years to come. The people know this is the intention. Any prayers Ministers may be saying or any hopes they have that yesterday’s con trick will quell the wave of protest are in vain.

How can it be fair that a millionaire who happens to live alone will be asked to pay €60 while two old people on the State pension and living on the bread line will have to pay €160? Likewise, a minimum wage household with several children and struggling to pay the bills will be charged more than twice what the single millionaire will pay. That is fundamentally unfair and regressive. Moreover, the Government’s assurances that the charges will not increase are utterly without credibility. When the Minister, Deputy Howlin, condemns those of us who are opposed to water charges for being against everything and talking about double taxation, he forgets the simple fact that before the last election, every single Labour Party Member promised never to impose such charges. In fact, they said then exactly what we are saying now, namely, that such charges are unfair and regressive. It is the Minister and his Labour Party colleagues who have deceived the people and insulted their intelligence by saying one thing about water charges before the election and doing something completely different after it. There is no doubt



that once the charges are introduced, they will rise incrementally and all the allowances and sweeteners will disappear. We heard all the same promises about waivers for those who could not pay bin charges, but those waivers were removed, charges were increased and refuse services were privatised.

I have made a discovery today that sends another grenade into the middle of the assurances the Government has offered people. A directive dated November 2014 from the Department of the Environment, Community and Local Government to local authorities makes clear the Government is not only planning to make private landlords do its dirty work by acting as debt collectors for Irish Water but that the same will also be required of local authorities in respect of the tens of thousands of council tenants. The directive states:

In the particular case of local authority tenants where deposit arrangements do not apply, where a customer is in arrears for more than 12 months and a late payment fee has accrued, Irish Water, having first provided the customer with the opportunity to pay the arrears or enter into a repayment plan, will advise the local authority concerned of the amount of arrears and the local authority will be required by law to recover the amount outstanding over a 12 month period.

Councils will be doing Irish Water's dirty work by taking water charges arrears out of council tenants' rent payments. As it stands, many such tenants are struggling to pay their rent because of the impact of recession and unemployment and many already are in arrears.

The Minister, Deputy Kelly, claimed yesterday that water meters are necessary for conservation purposes. That is nonsense. The cheapest way to detect leaks is to have district meters put in place to identify how much water is going into a particular area. If more water is going in than the average for the number of households in the area, one can detect the leaks. Household meters are much more costly and inefficient and will not detect the major leaks in the mains systems as opposed to smaller leaks in the join between the mains and individual properties. The Government is insisting on meters because it wants to be able to bill and charge people and because it must ensure its friend, Denis O'Brien, gets the contract to install them. Most of the €500 million installation cost will go to his company, GMC-Sierra Limited. Despite Government claims to the contrary, we are already seeing effective privatisation of our water services, with €175 million going to private consultants and €500 million to private contractors installing the meters. We should not forget that Denis O'Brien's company, Siteserv, had €100 million of its debts written off by Anglo Irish Bank even though he himself owed several hundred millions to that bank. Indeed, the same bank has obliged Mr. O'Brien by writing off debts for Independent Newspapers and Topaz.

It is extraordinary what is going on here. Is Irish Water the vehicle by which the corporate friends of this Government are to be allowed to loot our water resources and rob hard-pressed citizens who, even before this charge is introduced, are unable to pay their bills? People will not be fooled, however, and it is already clear that these proposals will not wash. The Government will see the judgment of the people on 10 December. The real popular assembly will be a mass peaceful protest of tens of thousands of people, not 60 people, passing judgment on water charges.

**Deputy Eoghan Murphy:** I criticised the three hours provided for a debate in the Chamber when the legislation to establish Irish Water was introduced almost 12 months ago. It is welcome that approximately 15 hours have been provided to debate the relaunch of Irish Water. I

have also been critical of the general lack of reform of the way the Oireachtas does its business. The Irish Water debacle offers a good example of the importance of reform. A small group of people meeting privately and making major decisions that have a significant impact on the country shows disrespect for the Dáil and Cabinet. The result was a bad decision. It was not a tough decision, because the Government has made many tough decisions, which I have supported, in a short period.

We have seen how the difficulties arising from this bad decision and the refusal by the Economic Management Council to listen to others for a period of more than eight months have disrupted the work Deputies are trying to do and worn the patience of people outside the House. The Dáil is not in good shape if it can be treated in this manner, which damages individuals and the social contract. We need to properly understand the connection between this House and the outside world. The decisions taken in the Chamber are important and have an impact on people's lives. Our work does not involve theory but taking decisions that have consequences. The Oireachtas must be treated much more seriously than is currently the case. I wonder, given everything that has taken place and the role this Parliament has played in the recent economic collapse, why more has not changed.

While the Government says it is listening and reacting, as it has done in this case, there is more to the issue than the manner in which Irish Water was established. The issue is the way in which the political system operates. If the Government were listening, the Economic Management Council would not have driven the relaunch of Irish Water and the Minister would not have left the Chamber yesterday shortly after completing his speech to make appearances in the media. While I understand that things were done in that manner in the past, it is not how things should be done now. It is not good enough to argue that at least the decision was announced in the Dáil and that the previous Government under the Fianna Fáil Party would not even have done that. The previous Government is a low benchmark by which to measure our standards. We can and should do better.

Yesterday's announcement is welcome, and I support it because we need a single utility company. We must pay for water because collecting and treating water to make it clean and safe to drink costs money. Government backbench Deputies are waiting for more, however. They are waiting for a major follow-through measure that will either reform or abolish the Economic Management Council and give greater respect and power to the Dáil.

Viewed from a different perspective, how does yesterday's decision on Irish Water change the budget that the House adopted only one month ago and on which legislation is still before the House? Is it appropriate to make such significant decisions and major changes within one month of passing the budget? Is this the proper way to manage the national finances? Where is the new budgetary process we were promised? Where is the new independent budget oversight office for parliamentarians or the budgetary scrutiny committee that exists in other Parliaments? Where is the detailed examination of budget forecasts, all of which turn out to be wrong? Why are budget figures and the manner in which measures are implemented not examined throughout the year? Why did an Oireachtas committee not crunch the numbers before the decision was taken to make a major change to Irish Water? Why will this be done after the event, as has been the practice in the Oireachtas for far too long?

As to the announcement yesterday, it is important to continue to install meters and invest in the network over the next four years in order that we can move towards introducing a proper utility charge. Such a charge is necessary for the purpose of harvesting and distributing water.

Residents in Dublin know full well the problems caused by underinvestment in water infrastructure over a long period. The capital experiences water shortages because the facilities in place to treat and deliver water are inadequate, old pipes have broken in cold weather and 40% of the water we pay for through general taxation is wasted because a similar percentage of treated water leaks into the ground. A single utility raising money specifically for investment where none was available previously will improve our water infrastructure and make the provision of water cheaper and more efficient. These are positive developments.

What of the utility established to achieve these objectives? How does it stand in light of the decisions announced yesterday? People have tried to scapegoat the chief executive officer and board of Irish Water. While I would not have chosen the current CEO if I had been in a position to do so, we must recognise that the fault lies with the Government. It signed off on the plans for Irish Water and set the parameters under which it must work. It tried to do in two years what should take least five years, and it should have known better. Irish Water was established as a subsidiary of Bord Gáis against advice to establish it as a stand-alone utility. The consequences of this decision are evident in the problems we are experiencing. A form of protectionism was applied in the 12-year service level agreements reached with each of the local authorities. This approach meant none of the staff or resource efficiencies envisaged as a result of the creation of a single utility was achieved.

We now have a scenario in which we will not meet the legitimate pay expectations of people who signed contracts with Irish Water. The unilateral decision taken on this issue is dangerous. In addition, we have the expenditure on consultancy. The lack of detail provided on this matter to Deputies is indicative of the lack of respect shown to the Oireachtas. I tabled a parliamentary question recently asking the Minister to provide a breakdown of the €17.2 million fee charged by Accenture. In his response, the Minister stated that the fee was for work “in respect of Integrated Programme Management of Business Capability Establishment projects and management of specialist vendors contracted by Bord Gáis Éireann.” This is the rubbish that I, as a Member of the Dáil, received when I asked the Department for a detailed breakdown of how €17.2 million was spent. This reply shows a lack of respect for the House. While this issue was discussed at a committee, the Department must have a more detailed breakdown of the costs because it would not stand over an entity such as Irish Water signing a blank cheque for €17.2 million on the basis of the sentence I cited. While the expenditure may have been legitimate, if people are unable to obtain transparency with regard to how their money is being spent, it undermines the case for spending this money, just as Irish Water has been undermined from day one. I hope the breathing room the company has been given will allow it to get up and running properly over the next four years and help it to build credibility. It has some distance to travel in this regard and I am not sure the announcement yesterday will be sufficient.

In my view, we should consider establishing a new entity, taking what investment can be salvaged and starting again. A new stand-alone utility with a new mandate and vision for the company is needed. The danger is that ten years from now we will have to deal with another quango or super-structure similar to the Health Service Executive and it will be too difficult to reform it because it will have become a Goliath.

I have other concerns, but my time is brief. The obligation on landlords to make deductions from the deposits of tenants who do not pay water charges is unfair. This requirement will have to be changed in the coming weeks, which will reflect negatively on this second attempt to deal with Irish Water. The payment system could be much simpler. While the lower charges are welcome, we should charge the lower fee rather than requiring customers to apply

to another Department for a payment. People could have been incentivised to sign up for the installation of a water meter in a more efficient manner that would have worked for the utility, saved customers money and delivered the re-investment in infrastructure that we require. The new procedure creates the potential scenario of paying people to use water. The consequences of setting such a precedent have not been properly considered and it, too, will reflect negatively on the process.

The bullying and intimidation of workers, gardaí and politicians by protestors and public representatives is disgraceful. If this is the type of leadership Independent Deputies offer the people they represent, it is not welcome. Democracy is important. The Deputies opposite argue that the Government must show greater respect to the Dáil. They are correct, but they too must show the House greater respect. They are fooling themselves and lying to people when they stand with them with a megaphone and pretend to be powerless. They occupy the privileged position of being able to speak and make decisions on behalf of people and speak truth to power. They were elected for these reasons and they should respect that mandate.

**Deputy Catherine Byrne:** I thank Deputy Eoghan Murphy for sharing time.

While canvassing on Clonard Road in Crumlin during the recent local elections, I was asked by a lady whom I was canvassing for. I introduced her to a young girl who was running for the Fine Gael Party for the first time. The lady said she had hoped I was not Deputy Joan Collins and was not canvassing for her party, because she had been told previously by the Deputy not to pay waste charges and had ended up with a bill of €1,500. She and many of her neighbours were disturbed that they had been given false information when they were told not to pay the charges. I hope Deputies who ask people not to pay the water charges will pay the arrears that accrue to their constituents in the months ahead.

I was disappointed to see a news report featuring Deputy Paul Murphy, a new Member of the Oireachtas, claim with a grin on his face that he had arranged an agreement with the protestors to let the Tánaiste go. What a pathetic way to begin one's career in politics. This is not the Middle East. We live in a democratic society. I say to Deputy Paul Murphy, and other people and parties in this Chamber who act like him, that they are not the law.

**Deputy John Halligan:** We do not act like that.

**Deputy Catherine Byrne:** They have never been the law and never will be.

**An Ceann Comhairle:** Please, Deputy. You were not interrupted.

**Deputy John Halligan:** That argument is incorrect.

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

**Deputy John Halligan:** She is referring to us. The Ceann Comhairle should cop on to himself.

**Deputy Catherine Byrne:** There is one law enforcement body in this country and that is the Garda Síochána. It is about time that the Deputy learned that. Apart from his militant views, talking about battles, wars, grenades and explosions, he should have taken a little time to think about the audience sitting in the Public Gallery, including the young people who come to hear proper debates without having to listen to rubbish being spoken across the floor. He is trying to influence a debate with his rebel ideas.

20 November 2014

**Deputy John Halligan:** Who wrote that for the Deputy?

**An Ceann Comhairle:** Please show some respect.

**Deputy Catherine Byrne:** I want to talk about the mothers, fathers, wives, husbands, children and grandchildren.

**Deputy John Halligan:** There are no rebels around here.

**An Ceann Comhairle:** The Deputy should leave the Chamber if he does not want to listen. He is not entitled to interrupt the Deputy. The Deputy was not interrupted.

**Deputy John Halligan:** In fairness, you were not here, a Cheann Comhairle.

**An Ceann Comhairle:** Please do not shout people down. Listen to them. She had to listen to you, so you listen to her.

**Deputy John Halligan:** She has made an allegation.

**Deputy Catherine Byrne:** I never interrupted anybody speaking here.

**An Ceann Comhairle:** Do not be trying to shout her down, please.

**Deputy John Halligan:** I am not shouting her down.

**Deputy Catherine Byrne:** I am speaking on behalf of the mothers, fathers, wives, husbands, children and grandchildren of the men and women who proudly wear the blue uniform of the Garda Síochána - one of whom is my son. His one thought when he dons his uniform every day is to uphold the law and protect people living in communities. It disturbs me to hear the comments being made about young men and women in the Garda Síochána not being able to do their duty. How would the Deputy like his son or daughter to be spat upon, kicked in the shins and verbally abused? I have never heard such abuse before and it is wrong. The Deputy and the rest of the people in this Chamber should know that there is one law enforcement body in this country, which is the Garda Síochána. We should all remember that and respect them. These are the men and woman who patrol our streets every day of the week. When communities are in trouble they turn to the local Garda station to assist them. The Deputy should have some respect for the people we are talking about and remember women like me who have sons in the Garda Síochána. I am very proud of the job he does on a daily basis. The Deputy should think of the people out there whose sons and daughters are in the Garda Síochána. Shame on him for saying they cannot do their duty. If it was his son or daughter, he would not like them to be spat upon.

**Deputy John Halligan:** Who are you talking to? We did not say that.

**Deputy Catherine Byrne:** I welcome the change in the water charges. As the Minister said, mistakes were made but they have been rectified. There will be an opportunity for people to pay the charges at different stages through the post office. I also welcome the fact that people will be able to seek money back.

I commend those citizens who peacefully made their concerns known to the Government. I join with the Minister in condemning the protests which involved intimidation and harassment of Irish Water workers involved in the meter installation programme. They are young men and women who are doing their job, yet they are being treated with contempt. These men and

women get up every morning to do a day's work, but they are being intimidated by those who believe they can deprive others of their right to do a job.

I also condemn the non-peaceful protests at the weekend which targeted the Tánaiste and Minister for Social Protection. There was nothing peaceful about this process which demonstrated deliberate intimidation, including throwing missiles. A member of the Minister's staff was with her at the time. The young woman told me herself that she was terrified. I utterly condemn the thugs and gurrriers who slighted decent communities with their mindless acts of abuse and intimidation.

I call on those people who are going to march in future, including those peaceful people who marched in Jobstown, that the next time violence and thuggery are involved they should take their children and walk away. They should get as far away as they can from these thugs and gurrriers because that is all they are.

I commend the men and women of the Garda Síochána who uphold the law in this country. For a very long time previous Governments ignored what was under the ground. Their attitude was "out of sight, out of mind". As a result, they completely neglected the country's underground water system. It is about time we got our act together. I came into this Chamber for one reason, which was to do my best as a public representative and protect those who cannot protect themselves.

It is insulting to hear some of the comments that are fired across the Chamber by people who believe they can take the law into their own hands and do what they like.

**An Ceann Comhairle:** I call Deputy Calleary who is sharing time with Deputy Moynihan. Is that agreed? Agreed.

**Deputy Dara Calleary:** I wish to join with others in condemning the violence at the weekend directed towards Members of this House. It is completely unacceptable in a democracy. It is also fair to point out, however, that the previous protests that occurred under the guise of the Right2Water campaign on 11 October and two weeks ago were done fairly and peacefully. I can speak for the two protests in Mayo which were undertaken peacefully and organised in a good atmosphere and in complete co-operation with the Garda Síochána. To paint every protest with the same brush is completely unfair to peaceful protestors and to the gardaí who have taken time to ensure that what happened last Saturday would not happen at other protests. I think the same will apply on 10 December.

The motion we are being asked to support seeks to do a number of things. The overall message is to ask this House to endorse the monumental incompetence and arrogance that has characterised the Government's handling of Irish Water and the water issue generally. I will proudly vote against that motion this evening.

The old claim we have heard since the last election, that the troika is making us do it, does not hold up on this one at all. As the Minister of State knows from recent months, the troika's view is that there are targets to be met but they can be met in whichever way the Government chooses to meet them in terms of revenue. Fine Gael is slightly less worried about other commitments that were made in the troika programme, particularly the reform of legal services. It strikes me therefore that there are different horses for different courses.

The troika has left and Ministers have spent much of the last 12 months parading around

this House stating how great the Government is. Many claims were made about the budget also. However, the Government can now make its own calls economically, so it does not need to raise revenue from this.

We accept that reform of water delivery is needed, but not the model that has been forced upon us. I caught the end of Deputy Eoghan Murphy's remarks in which he tried to get answers to questions. That sums up all our collective frustration surrounding this matter. The Government is forcing that model on us even though it was told not to proceed with it after handing out €160 million to consultants. That model is wrong and completely unsuited to Ireland. First of all, it is a company and any company can be privatised. No matter how much the Government promises otherwise, the prospect of privatisation is still there.

The Government should instead have an authority similar to the National Roads Authority or the NTMA which have the capacity to deliver multiannual, multi-billion euro programmes. Most importantly, they do so on a regional basis. It is worth reminding people, and particularly those on the Government benches, that €5 billion was invested in this country's water supplies between 2000 and 2010.

Ministers tell us that we have a Third World water supply, while they use PR announcements to herald hundreds of jobs in pharmaceutical and food companies. One needs a good, solid water supply to make those kind of jobs announcements and attract such investment.

Yes, we have problems. It is disgraceful what has happened in County Roscommon and in Dublin city. It is unbelievable that a capital city cannot host an event without restricting water supplies. The €5 billion which was sanctioned and spent by the Government was spent by local government.

*3 o'clock*

At the time, local government was in the control of the parties now in government. They made the calls locally. Some of those people, who are now Deputies, might look in the mirror before querying spending on water services. Irish Water is the Minister's baby. It is the Fine Gael Party's policy line and it is the child of the now Minister for Agriculture, Food and the Marine, Deputy Coveney, as outlined in the NewERA document in 2009, long before there was any mention of the troika. It has proceeded exactly as it was set out.

It is desperately unfair. There was some dumping on the former Minister, Phil Hogan, as recently as two hours ago. He messed it up and was oblivious to the concerns of this House, but those now driving the diggers and dumping on him were driving the diggers when they were around the Cabinet table with him and they must share responsibility. For the Tánaiste to say that she made Deputy Alan Kelly a Minister to sort it out does not cleanse her of her responsibility.

Yesterday's announcement failed a number of basic tests. It failed on any measure of fairness. How is it that every family, regardless of income, will receive a €100 water conservation grant, regardless of whether they are on the breadline or in the top echelon of earners? It is not so much a water conservation grant as a backbencher conservation grant. It has nothing to do with the conservation of water; it is about the conservation of votes. There is no fairness in any charging system in which families pay the same rate regardless of income, means and circumstance or where single people pay the same rate regardless of income, means, circumstance or age. We have different water needs as we progress. There is no analysis of that aspect. The

charging regime has failed the fairness test spectacularly.

The attitude, management and culture of the body that has brought us to this place, Irish Water, has not changed. The board of the parent company might change, but it was interesting to see the CEO of the parent company sent out to defend the baby of the organisation. The organisation is still in place and a new board will not change the culture, style or method of delivery. We must move to a water authority, or an agency similar to the NRA or NTMA, that can borrow and has no need for overstaffing. That body could use the resources and expertise of local authority staff to act on a regional basis.

I have dealt with the supply issue, where there are serious problems, but the investment programme outlined by Irish Water for the next couple of years is not much greater than what was spent between 2000 and 2011. The priorities were made under the old charging system. Some €5 billion from general taxation was spent between 2000 and 2010. If we believe the cheers about the growing economy and growing tax revenues, there is no reason a similar amount of revenue could not come over the next period of investments from Irish Water. The investment is simply not there. Whatever the rate, it is the rate that means the difference for people between having money at the end of the month and not having any. People will not pay for an unreliable service or, in the case of Roscommon, an unclean service. They do not have the money, and we cannot support a system that afflicts another charge on people when there are other choices. Maybe in the future, when investment has been made and proper property management is in place, we can talk about charges, but only for people who abuse the water supply and use water excessively for swimming pools and hoses. Water is a basic requirement.

Some €660 million has been spent by Irish Water, with €500 million spent on a metering contract on which we can get no details and on meters that we must dig up the ground to read. People should be able to read them on a telephone if this is a conservation measure. This should have been done in districts first, with people given the option of a personal meter. A total of €660 million has been spent by Irish Water to date, and not a penny has been spent on pipes, sources of supply or a drop of water. The money has been spent on consultants and metering and not a drop of water will come from €660 million. That is the incompetence and arrogance we are being asked to support. I will not do it.

**Deputy Michael Moynihan:** I thank Deputy Dara Calleary for sharing time. I condemn what happened to the Tánaiste last weekend at the protest. It is appalling to keep a lady captive for a couple of hours on a Saturday afternoon. There must be a certain amount of proper protest, which everyone in a democracy accepts. It went too far, but it was not the first time. I look with amusement at the indignation and condemnation of the protests from Government benches. I remember the protests about medical cards in October 2008. A former Minister of State, John Moloney, was stopped from speaking at a church on Westland Row. Some current Government backbenchers organised busloads and trainloads of people to protest on that occasion. It was all fine and great fun at that time. In July 2009, the car of the then Minister for Agriculture, Fisheries and Food, Deputy Brendan Smith, was almost overturned by protesters, but there was no word from those now on the Government benches. I accept it was wrong then and it is wrong now, and I welcome the conversion of the Members on the Government benches to the normal rule of law and normal discourse. I remember protests taking place outside Deputies' offices and nasty things were done. It was wrong then and is wrong now, but I welcome the conversion of Government backbenchers to the natural rule of law.

I have thought long and hard about why people got so angry about Irish Water and what



happened over the past months. It kicked off because the parties in government, when they took over, said there were going to be no more quangos, and this was set up as the brainchild of Deputy Simon Coveney in the NewERA document of 2009. When the enormous amount of money wasted on consultants' fees became clear in the early part of the year, people became irate. Then the bonus culture was revealed and it seemed as if nothing had changed in the setting up of Irish Water. People looked at what happened heretofore with the provision of water in Irish society, which was done by local authorities. People asked why there could not be one overarching body and why it had to be set up as a gold-plated, money-wasting super-quango. This was one of the fundamental issues that sprang the public to protest.

What happened yesterday was one of the most gigantic U-turns of all time. A super-quango has been set up and has wasted €660 million, with nothing to show for it. It became clear in January or February that a huge amount of money had been spent on consultants. If the money had been given to local authorities at that point to upgrade water systems, as was done through general taxation heretofore, it could have done a great deal for leaking pipes. What could be done with the amount of money spent on Irish Water is mind-boggling.

Irish Water must be scrapped and we must go back to where we were prior to the ramming through of legislation with the use of the guillotine on 19 December last. We must go back to that point and start afresh. Everything that has been set up should be disbanded and we should revert to working with local authorities, with one simple and streamlined way of doing business. It is not beyond the realms of possibility to get to that stage. I emphasise the point that it is time to scrap Irish Water absolutely and return to the drawing board in order to formulate a simplified way of delivering water to the people.

**An Leas-Cheann Comhairle:** Deputy Brendan Griffin is sharing time with Deputies Noel Coonan and Joe Carey.

**Deputy Brendan Griffin:** It is hard to know where to start, as the handling of this issue has been an unmitigated disaster from a Government perspective from the start. If the Government had listened to its backbenchers and other Deputies representing the people, much uncertainty, fear and anger could have been avoided. I am grateful that at least some changes have been made, with the lack of certainty on pricing finally being put to bed. I spoke about that issue in January, but, unfortunately, at the time we had a Minister who would really only give a smart-arse answer on anything that was raised. I am thankful that issue has been sorted out also, but it is not a good way to run a country.

The people have taken to the streets in their thousands, rightly so. Perhaps it is a pity that in recent decades in the country we have not seen that level of activity, as some of the terrible decisions made by successive Governments and the terrible occurrences on the island could have been prevented if that had not been the case. Many people to whom I have spoken do not have an issue with the principle of paying for water or Irish Water, but they have had trouble with the handling of the process, the lack of certainty and the absence of clarity on the affordability of water charges, among many other issues. I hope the people who had these concerns will see that the measures announced yesterday will help in some way to allay concerns.

I do not expect people to be happy in any way about any of this and they are correct in feeling that way because the process has been an absolute disaster and it started in this Chamber. There was a lack of respect for Members of Dáil Éireann, the representatives of the people on all sides, because of the lack of debate. This goes back to the fundamental need for reform in

how we do business in the House. It is glaringly obvious - it has been for some time - that this Parliament is not fit for purpose in the way it is structured. This is leading to failure after failure and setting up the country to fail time and again. God knows, we have failed too many times already and cannot allow these failures to continue as part of the Irish political cycle. There should be a fundamental shift in how we do business.

On how we deal with water provision and treatment, I come from a county with numerous problems, which are particularly evident in mid-Kerry. From one day to another people cannot depend on the water coming from their taps; therefore, there must be major infrastructural investment, which has not happened. Although he is not present, there is a Deputy across the way who got to make a wish list when he was a councillor in the mid-Kerry area for 12 years. This was in the mid-2000s, when the country was full of money, but he never mentioned water infrastructure in mid-Kerry. We now have a major problem and something must be done to fix it. I am hopeful, at least, that we might now have a better chance of having it fixed. St. Brendan's Park in Tralee is just one of many examples in County Kerry and around the country of an area with problems. The focus must be on sorting out water infrastructural problems once and for all, rather than depending on a Victorian system from 100 years ago.

Having five minutes in which to speak is not enough; I could speak for one hour to say everything I need to say. I will dedicate the remaining seconds to what we have seen recently.

We are all elected by the people to represent them and, as I mentioned, thousands have taken to the streets. I commend them for doing so. Nevertheless, there is a very small fraction using violence and intimidation against politicians and members of the Garda and I condemn them outright. A recently elected Member has been involved. I am not here too long - it is only a few years since my election - but Deputy Paul Murphy was inciting violence against the Tánaiste last Saturday. Not only did he let himself down as a Member of Dáil Éireann, but he also let himself down as a man. For that activity to occur and not be condemned is disgusting. I condemn these actions and the violence against members of the Garda who were doing their duty and protecting people. There have been death threats levelled against members of the Government and others in the House. That is unacceptable. Unfortunately, it is worrying that this has not been discussed enough in the Chamber, although a handful of Members referred to it. These death threats are against Members of Dáil Éireann, the elected representatives of the people. This should not be tolerated and there should be more voices calling for an end to it.

**Deputy Noel Coonan:** I am glad to have a few moments in which to speak to the motion on Irish Water. Yesterday was a great day for the country and its people, not just Irish Water. It was also a great day for democracy. I welcome the clarification brought to the issue by the Government and my colleague, the Minister for the Environment, Community and Local Government, Deputy Alan Kelly. As a fellow Tipperary man, I congratulate him. He has nothing to worry about now and has every vote in Tipperary secured. I am sure the Leas-Cheann Comhairle's colleagues across the way are delighted to know this. That will, in turn, put pressure on us, but I say "well done" to him and his colleagues in government. They have brought a sense of affordability and clarity to the Irish Water proposals, making the issue simple. It is now understandable and people know that under the capped system, the maximum they will have to spend is €1 per week for a single person and €3 per week for two or more people in a family. That is a relief as it has been appalling how the Opposition has terrorised older people, in particular, putting the fear of God into them and upsetting them seriously in the past few months.

Yesterday was also a good day for democracy as the Government was seen to listen to the

people. It was a good day for us as backbenchers, despite the comments of my good colleague, Deputy Dara Calleary, who showed concern about Fine Gael backbenchers. Fear not, as Fine Gael backbenchers are a very resolute group. We are in it for the long haul and do not scare too easily.

**Deputy Dara Calleary:** The Deputy should mention that to his colleague sitting beside him.

**Deputy Noel Coonan:** The big difference between my party's backbenchers and those of the Deputy's party is that our Ministers and the Government listen to us. We conveyed the concerns of the people which had been aided by peaceful protests. We were in a position to hammer home our message at parliamentary party meetings and I am happy the lesson was learned. The amazing thing about life is how the tide turns if one has enough patience. The people now see what they are facing, particularly with the Socialist-led protests. There were disgraceful scenes involving acts against people in power and gardaí.

**Deputy Joe Carey:** Shocking.

**Deputy Noel Coonan:** That has turned the tide. I come from Templemore where every garda is trained. The people I have met there and across the country are horrified by what went on. It was a wake-up call for people who are now concerned about elements of the so-called wealthy Socialist Party, led by "the Murph" and company, aided and abetted by extremists among our Sinn Féin colleagues. This must be nipped in the bud and the people have given the signal to us to do that. If not, we are facing what is potentially a Middle East ISIS situation. If those people are allowed to get on with doing what they are doing, God help this country and people realise that. We have to nip that in the bud. From that point of view, yesterday was a great day for democracy.

**An Leas-Cheann Comhairle:** I ask the Deputy to refer to Members by their correct names.

**Deputy Patrick O'Donovan:** A Leas-Cheann Comhairle, he is referring to Deputy Paul Murphy.

**Deputy Brendan Griffin:** He means Deputy Paul Murphy.

**Deputy Noel Coonan:** I am referring to Deputy Paul Murphy and others. I am glad that the Leas-Cheann Comhairle has been listening to me as their behaviour was disgraceful.

The discussion has focused on water services, but we must address the sewerage system as many treatment plants are either not up to standard or are operating at over-capacity. There has been consequential environmental damage that is evident in 42 rivers. I inform Deputy Dara Calleary that many schemes must be dealt with as they received little capital funding in the good times. The last time Fine Gael was in government, in 1994 and 1995, it provided capital funding for the Templemore regional water scheme. That scheme now needs to be improved owing to growth in the area - it almost went dry and nearly reached a stage where water rationing would have been required. Investment is required, in respect of which Irish Water offers hope to people in the Templemore area.

The people protesting in Dublin are led by socialists and do not care about country people. Through the years country people have paid for water through group schemes, the use of private wells and so on. The protesters in Dublin act like parasites and live off country people as they

have never acknowledged their role. In rural areas, people running small businesses from their homes must pay for water and the same applies to other businesses around the country. Such businesses provided money for the country in bad times.

**Deputy Joe Carey:** I welcome the opportunity to contribute to this important debate. Irish Water has been the subject of debate across the country, in the kitchens and workplaces of towns and villages. Ordinary people have spoken about Irish Water for a number of months and I have engaged with many people in my constituency verbally and via letters and e-mail. In turn, I have spoken to the Minister for the Environment, Community and Local Government, Deputy Alan Kelly, the Government and the Fine Gael Parliamentary Party to air these concerns.

The changes announced yesterday by the Minister are clear, simple and comprehensible and I welcome the clarity that has been brought to the issue. People around the country have raised legitimate concerns about Irish Water and I acknowledge that mistakes have been made. One of the biggest was the overly ambitious timeframe for the establishment of Irish Water. International experience suggests such reform should have been introduced over a longer period.

I am conscious that new bills will be a burden on families who were hit hard during the recessionary years, but the package announced yesterday means that the net cost of water will be €160 for a household with more than one adult and €60 for a household with one adult.

The issue of water charges had been avoided by previous Governments, but we can no longer ignore the problems associated with decades of under-investment. Irish Water will enable us to deal with Ireland's crumbling water and wastewater infrastructure. It is clear that the old system no longer works as 20,000 people are on boil water notices and there are issues related to lead piping. There are huge issues related to leaks as between 40% and 50% of water leaks into the ground every day. Across the country there are problems with water capacity and quality and the wastewater network is also in serious need of an upgrade.

The Ennis-Clarecastle main drainage scheme has been costed at €190 million and discussed for 15 years, yet, to date, only small elements of the scheme have been delivered. I am confident that with the establishment of Irish Water the Ennis-Clarecastle main drainage scheme will finally be delivered. Other multi-million euro investments in wastewater treatment and vital infrastructure will be delivered by Irish Water in a timely manner as the body will be able to raise money on international markets. The discharge of raw sewage into the River Fergus in Clarecastle and areas such as Ballyvaughan, Kilkee, Kilrush and Liscannor will be avoided as a result. The current system allows such discharges to occur, which is shocking. The ESB has raised billions of euro on the international markets in the past ten years to upgrade its network and Irish Water will do so, too.

I respect people's right to protest as it is an important part of our democracy. However, it would be wrong of me not to mention the shocking actions of Deputy Paul Murphy and the Anti-Austerity Alliance last weekend. It was an absolute disgrace that an elected Deputy would incite a mob with a smile on his face and, in the process, imprison the Tánaiste in her car for over two hours. The actions of Deputy Paul Murphy and the Anti-Austerity Alliance have done a huge disservice to those who wish to protest legitimately and peacefully over water charges. Like Deputy Noel Coonan, I compliment the members of An Garda Síochána who risked their safety to defend the peace and the right to engage in peaceful protest.

I express my support for the motion and welcome the changes announced yesterday in the

Chamber.

**Deputy Sandra McLellan:** Neither I nor my party believes the motion signals a new beginning for Irish Water as the Minister for the Environment, Community and Local Government, Deputy Alan Kelly, and the Government claimed. It should signal an end to Irish Water and water charges, but, regrettably, it does not. Instead, it simply demonstrates that the Government is running scared as the announcement made yesterday on water charges indicates clearly that Fine Gael and the Labour Party are quaking in their boots at the thought of a hammering in the ballot box. The changes did not go far enough and the Government has not listened to the people.

People do not want concessions on water charges; rather, they simply cannot afford more costs after the litany of other costs that have been imposed on them in this era of relentless austerity. The Government is trying to backpedal to correct the mistakes made during the introduction of water charges, but it is too little and far too late. Whatever strategy it has for Irish Water has failed miserably. Communication with the public has been atrocious at best and non-existent at worst. The Government has made an absolute mess of this issue, but what is the alternative?

Sinn Féin would scrap Irish Water in its current form as it is toxic and discredited. We would put in place a new public body which would be accountable to the Minister and the Oireachtas and with a greater input from local authorities. This body would oversee and implement a capital investment programme and Sinn Féin would direct the bulk of resources towards fixing leaking pipes. It would not have wasted €700 million on meters that are now redundant and on the corporate beast that is Irish Water. We would continue the roll-out of neighbourhood meters because this has proved effective and efficient in detecting leaks. Building regulations would be changed to incorporate water conservation measures such as dual-flush toilets in all new buildings. Sinn Féin would remove fluoride from water to save money and protect people's health. This is what has been done in the North and 98% of Europe and we should follow suit.

I have outlined measures to save money. This is what Sinn Féin is about: stopping waste. We would continue to fund it through the Local Government Fund and commercial water rates, almost half of which remain uncollected year-on-year, another issue that needs to be dealt with. We would also use the Government's capital investment programme, which has been under-spent in recent years.

What the Government has proposed remains far off the mark. It is creating an illusion, like a three-card trick. The Government is giving people back their own money to try to get them to buy in to something they simply do not want. The sum of €95 million is less than 9% of what is needed to run Irish Water, that is, €1.2 billion. The real agenda is about upping the charge after the next election. People know that the only way for this charge is up.

The Minister said he wants his legacy to be one of achievement not destruction. Surely the Minister and his colleagues in government must know that their legacy will not only be one of destruction but of angered impoverished struggling citizens. An economic recovery that only benefits the well-off and the desecration of the fabric of our society are two further legacies of this incompetent Government. The Government need not be under any illusion: the people have seen through the spin and they know that it has let them down. That is why public anger is so widespread.

The Minister for the Environment, Community and Local Government, Deputy Kelly, has said he will legislate to ensure future governments will have to hold a referendum to hand over water services from public to private ownership. Legislation can be changed at any time by any government. That is not good enough. There are two messages on which I will finish. First, scrap of water charges. Second, initiate a referendum to keep water services under public control. Sinn Féin will continue to campaign for the abolition of water charges.

**Deputy Caoimhghín Ó Caoláin:** We saw the Minister for the Environment, Community and Local Government, Deputy Alan Kelly, put the Government motion re so-called water sector reforms before the Dáil yesterday, only to run away before the Opposition got to debate the issue. This is representative of the current Government's attitude to both the Dáil and the public: duck and hide, avoid accountability and answering questions at all costs. We have seen many examples of this and not only in recent times.

What did the Minister actually tell us? We now know that, despite all the demonstrations and public outrage at these unfair charges, the water tax is, according to Fine Gael and the Labour Party, here to stay. The process of putting meters in the ground will continue and there is no further mention of an improved water service infrastructure. Equally serious, there will still be no right to water in Bunreacht na hÉireann.

The Government leaked some of this information in recent days, mostly in an attempt to assuage the fears and anger of the public. It has underestimated the public, however. The public understand that this is simply a starting point on a slippery slope to ever-increasing charges. The public also understand that this is a great opportunity to get rid of water charges once and for all. The protest planned for 10 December will show this Government that water charges must be abolished.

I welcome the recognition of the Minister, Deputy Alan Kelly, that the Government has made mistakes. Finally, we have some openness on this issue. It is, however, regrettable that the full mistake is neither recognised nor acknowledged. The motion before the House refers in generalities to Irish Water as a long-term strategic investment project, one that aims to support indigenous economic activity. There is not much concern shown for struggling families in today's difficult economic climate. The motion condemns non-peaceful protestors, as do we. However, I note nothing, no reference whatsoever, to the overwhelming mass of people who have shown great resolve and solidarity in mobilising to counter these charges.

The measures announced include a water conservation grant of €100; a reduction of 50% if only water supply or waste services are used; a further reduction of 25% on charges per 1,000 litres; an end to the requirement for PPS numbers; and bills that will issue from the first week of April 2015. These measures are confirmation that the water charges as first proposed were totally inappropriate and unfair. Let us not be fooled: the water tax remains, albeit in a water tax lite form and only up to the end of 2018.

During his contribution the Minister, Deputy Kelly, used the phrase "benefits for consumers", not a phrase we might have expected from someone in a party that claims the principles of Connolly. These consumers are citizens. It is clear that the pro-privatisation bent of Fine Gael has rubbed off on that party's current partners in Government.

Deir an tAire, an Teachta Kelly, linn go bhfuil seans ann go mbeidh roinnt teaghlach níos fearr as ó thaobh airgid leis an gcáin uisce seo. Tá sé seo fíormhaslach dóibh siúd nach féidir

leo na táillí seo a íoc faoin Rialtas Lucht Oibre seo mar dhea. The Minister, Deputy Alan Kelly, asked us how he was to find leaks without metres. In this he forgets the massive section of water infrastructure that exists before pipes enter homes and other properties. No mention is made of anything to rectify the fact that we have one of the highest rates of leaking from the system in any developed country.

It is most unfortunate that we have had to wait so long to hear of this water tax lite. The public have demanded abolition. We hear talk of a permanent water charge cap. How will this work? Can we trust these claims? I fear not. We have been told that the Government is planning legislation to ensure Irish Water cannot be privatised without a plebiscite of the people. When can we expect this? I note that job advertisements for a new board combining Irish Water with its parent company Ervia will be publicised from tomorrow to allow for “stronger governance and improved setting of strategic objectives”. This is to be welcomed, though I imagine they have their work cut out for them.

These changes to the water charges represent a significant climb-down by the Government. This shows that it was totally out of touch with the public when it first announced the scheme. Let us make no mistake about it: the Government is still totally out of touch, because what the 200,000 people who have already gone on to the streets to demand was not the water tax lite package announced yesterday, something that many cannot afford nor accept. What they want and what our voices in this House demand is the withdrawal of these charges altogether. Cuirim i gcoinne an rúin.

**Deputy Michael Colreavy:** There was one part, only one part, of Deputy Coonan’s contribution with which I agree: yesterday was a good day for Ireland. It was a day when the people created their own democratic revolution. The Taoiseach and the Government parties unwittingly brought this about. The democratic revolution which was promised and referred to by the Taoiseach is now in the far safer hands of the people. Major credit should go to the Right2Water campaign for organising the hundreds of thousands of people who took to the streets throughout the country demanding that water charges be scrapped. We forget that most of these demonstrations were altogether peaceful, indeed, some of them were joyful. They got the message across, but peacefully.

The campaign has tackled the blatant arrogance displayed by this Government, which took the view that it could impose these unfair charges on the people and that the people would quietly consent to them. The Right2Water campaign is a fine example of people power allowing ordinary people throughout the country a voice and clearly shaking the Government into action. We now know that people can make this Government listen when Government party backbenchers and Ministers could not.

The way in which Irish Water was formed means the Government’s action yesterday is only a game of smoke and mirrors. The Government hopes that once people sign up Irish Water can begin to raise its charges. The rates announced by Government will not last long. The Government has been building up this announcement on Irish Water for the past four weeks. It is a desperate attempt to cling to power. Fine Gael and the Labour Party are frightened of hitting the doorsteps with the spectre of Irish Water hanging over their heads. They know they are wrong but seem unwilling to make the final leap towards rectifying this situation by scrapping water charges and Irish Water.

Irish Water will take in about €100 million in water charges in 2015 and approximately €130

million in 2016. Irish Water would have to increase the charges it is placing on households substantially in order to be sustainable. The Government announcement was spin and an attempt to buy more time. Despite the huffing and puffing and legacy-claiming by some on the Government benches yesterday, certain hard facts remain. The Government is pressing ahead with charging domestic households for water. The water metering programme, which has resulted in the invasion of privacy and disruption of people's lives will continue unabated. The meters will be used to charge people into the future.

Has anybody looked at how much it will cost to replace meters that are two or three years old with new ones? Why are we using a type of meter that is unfit for the traffic that will travel over them? They will have to be replaced within a couple of years. I hope I will not be accused of parish pump politics, but I ask if it is the intention of Irish Water to shut down the lovely institution of the community water pump in our villages.

Irish Water has already soaked up a massive amount of public funding. The National Pension Reserve Fund was raided of €530 million, which it is unlikely Irish Water will repay any time soon. Consultants were paid €80 million to advise on the establishment of Irish Water. It is not unfair to note that they must be among the worst advisors in the world history of advising.

**Deputy Peter Mathews:** Merrill Lynch.

**Deputy Michael Colreavy:** It may be that the advice the Minister needs was voiced by marchers on streets the length and breadth of the country.

**Minister for Agriculture, Food and the Marine (Deputy Simon Coveney):** I am sharing my time with Deputy Paul J. Connaughton. I am glad to have an opportunity to contribute to the debate. There has been a great deal of discussion about Irish Water over the last number of days and months, and it is good to have two full days of debate in the House to assess the decisions the Government made yesterday.

It is important to record the thinking as to why Irish Water is important, necessary and the right structure to deliver water into the future. Those who say we should simply dismantle Irish Water and go back to the way things were must understand that the way things were resulted in a fundamentally broken water system. It resulted in a situation in which 20,000 families are on boil-water notices, raw sewage is going into rivers or the sea in 42 towns, and 48% of water leaks from pipes before it even gets to its destination. That is the record of the system to which many people wish to revert. The idea that we can simply invest public money to plug the leaks, go back to a situation in which 34 local authorities are all doing their own thing with regard to water and everything will be fine is naive at best. We would not know where all the leaks were if we did not have a metering system. It is impossible, regardless of available resources, for 34 different local authorities doing their own thing on water with no connection to each other to provide a consistent, sensible and seamless system across the country. Irish Water will not only have to provide safe, clean and affordable water to people's homes locally, but will also have to move very large volumes of water from one part of Ireland to another in future to deal with the particular and growing water consumption demands of the Dublin area.

The thinking behind Irish Water came originally from a strategy called NewERA, which was about looking at all of the State's assets, as well as State companies and their assets, and deciding what the State should keep strategic ownership of. It also examined the idea of selling some of the things we did not have a strategic ownership interest in to raise money to build the



new infrastructure that the State would need to own in the future. That is where Irish Water as a concept came from, and it was the right one. We had a broken system and are trying to fix it. We are replacing 34 different local authorities with responsibility for water management with a single utility or entity that can benefit from economies of scale and borrow the significant sums of money needed to pursue the short and medium term capital investment programmes that Deputy Cowen rightly said yesterday were needed. That is something Irish Water can do but the local authorities could never accomplish.

People need to understand that the thinking behind Irish Water was for all the right reasons. It was simply about trying to give people clean, safe and affordable water. It was about putting a delivery in system place to do that which could borrow substantial sums of money to replace pipes that in this city alone are often over 100 years old. When people talk about wanting to scrap Irish Water, they should at least suggest an alternative that does not involve going back to the broken, failed system we had until a year ago. That is what I am hearing that people want to go back to. We were paying €1.2 billion each year for a system that fundamentally was not working.

The thinking behind Irish Water was right, but its implementation was a mess. I and others in government have accepted that and been hugely frustrated by it. There was confusion and delays in decision-making at regulatory level and within Irish Water, and the result was huge concern and fear about the charges that people would be asked to pay. As a result, the public were rejecting in large numbers what was proposed by Irish Water and the Government. There was a need for a fundamental rethink as a result, and that is what happened yesterday. It was something the Government did not rush, and we were criticised for not doing it a month ago. We took our time, led by the Minister for the Environment, Community and Local Government, Deputy Alan Kelly, who was supported by his Cabinet colleagues. We are now trying to put a much simpler system in place, having listened to what many, many people have been saying to us about their frustration and anger. We have got rid of the need for PPS numbers for registration and have put in place a system that will be supervised and independently certified for deleting those numbers from Irish Water's records. We are standing down the board of Irish Water and there will now be an oversight board from Ervia to look at our gas and water networks in future. We are getting rid of decisions on bonuses in Irish Water, delaying the start of the billing period and introducing a fair and affordable charging system for households. We have got rid of threats to turn down the pressure on water into people's homes and dealt with other issues that people have been raising. The idea that the Government is out of touch does not add up when one looks at the changes we made yesterday to address what people have been concerned about and have asked us to change.

Despite the commentary by some in the House and outside, the charging system we have now is not a flat-rate charging system. We have put caps in place so that a single adult in a house, regardless of how many children are there, will pay no more than €60 a year. As long as he or she draws down the €100 that is available from the Department of Social Protection, he or she will pay no more than €1.15 per week for water into the future. If he or she is lucky enough to have a meter, and uses it, the payment could be lower. Some 500,000 meters have been installed and the number is growing week by week. A person who lives alone and uses less than 43,000 litres per year will pay less than €60 per year. A household with two children which uses less than 85,000 litres of water per year will pay less than €60 per year. The point of attack which I heard from Fianna Fáil Deputies and their leader yesterday suggested water meters are irrelevant. They are far from irrelevant. They pinpoint where the leaks are and allow

households to pay less than the cap that is being introduced, as long as they conserve water in a responsible way.

**Deputy Barry Cowen:** They can use as much as they want.

**Deputy Simon Coveney:** A household with two adults will pay less than €160, which is the cap, when they draw down the €100 in social welfare. A household like mine, with two adults and three children, that uses less than 135,000 litres per year will pay less than the cap. The incentive still exists. It is important that people deal with the facts rather than try to create an illusion that water meters are irrelevant. They are far from it. They are still very relevant to what households will pay, even with the new relatively low cap, and they are essential to finding the leaks Irish Water needs to fix.

There will be real flexibility of payment. Many families across the country are put to the pin of their collars and will find it difficult to pay water charges. If people are struggling to pay what may look like a relatively small amount of money to some but is a large amount of money for them, they will be able to put payment systems in place and, if necessary, pay €5 at a time with An Post or other electronic systems in their localities. We are maintaining a free allowance for children based on the average use of a child, 21,000 litres per year. This family friendly measure will ensure families will not be discriminated against because they have children.

Public ownership seems to be one of the points of concern people still have. We have made a commitment that any future Government will either have to change the legislation we have put in place, which would be political suicide, or have a plebiscite or referendum on the privatisation of Irish Water. We are happy to make this commitment because there is no intention at all by Fine Gael or the Labour Party to privatise the utility, ever. The NewERA strategy is consistent with my statement. I am responsible for writing Fine Gael's next election manifesto, part of which will be a very clear commitment not to consider the privatisation of Irish Water. Unless another party that aspires to be in government has an intention to privatise Irish Water, it will not happen. It is important to kill that misconception and not to create unfounded fears.

**Deputy Paul J. Connaughton:** I thank the Ceann Comhairle for the opportunity to speak on this motion. Much has been said already. As a first-time backbench Deputy, I have found it frustrating waiting for yesterday's announcement. Much frustration has been building up over recent months among Labour and Fine Gael backbenchers and the general public over the lack of clarity and understanding of what Irish Water was going to do and how much people would have to pay. This frustration boiled over and we saw the mass protests. Like everyone else in the Chamber, I have no issue with people protesting, which they have done for many years. However, what happened last weekend went over the top. Although 95% of people in this Chamber, across all parties, will condemn what happened, a few may not be over concerned about it, unfortunately. We are going down a very dangerous road when we hear comments such as, "We decided to release her," or, "It would not have been too bad if she had been held for 12 hours." Nobody can stand over it and it is dangerous territory.

We must move on from here, and the Government must try to understand why it happened and where the frustration came from. The Minister, Deputy Coveney, has spelled out exactly what Irish Water is about and the concept behind it, which I support. I support the idea of paying for water. I come from a very rural constituency and for many years I was on a group water scheme, where people paid for their water. There are people in some parts of rural Ireland who do not understand what the row was about because they have been paying for water for 40

years. In many such cases, the Department would pay €140 per person on a scheme, which is the €100 conservation grant, and everyone would pay for the water they use. Earlier, a Deputy said water meters did not work. I know of a scheme where the price per person was extremely high, in the hundreds of euro. The scheme members decided to meter water use in every house and their bills dropped substantially to an average of €30 or €40. Meters work, and their roll-out should be continued. The problem was that we said we were installing meters without saying why or explaining the difference they would make. This has led to much of the frustration and concern.

While 100,000 people took to the streets and there were mass protests, yesterday's announcement was a recognition of the protest and all the concerns that were raised. The battle over Irish Water has not been won. While yesterday was a step in the right direction, much more must be done. The concerns about PPS numbers, ownership, confidence and clarity have been acknowledged. I know from speaking to many people, including people with young families, that people were concerned because they did not know how much they would have to pay into the future. I am delighted that yesterday ended this. Irish Water's biggest days as a semi-State company are ahead of it and it has much work to do. We are asking people to pay for water, and the money will feed into Irish Water, which will then, hopefully, have the money to build up the infrastructure.

I keep hearing from people who say we should pay for our water service through a progressive tax system. These are the same people who say we should fund our health service and education through a progressive tax system. Reports from certain bodies state that Ireland has a progressive tax system. This year alone we will borrow €6 billion just to pay the bills. We are trying to work our way out of a situation. Let us not look too far into the past. We know where we are, and we must try to build our way out of it. Although our system could perhaps be a bit more progressive, it is disingenuous and unfair to the people to say we can do everything they want through a progressive tax system when the facts and figures do not stack up.

Many public representatives will say they know the people are angry and that they are also angry. Although the people might say they like the fact that their public representatives are angry, there will come a time when they will ask what the Opposition representatives would do differently, how they would fund the water supply and what it would mean for income tax or the universal social charge. It is very important that we do not continue along this road. We are setting out our plan. The Opposition Deputies may not like it, and that is fair enough, and we must accept that we made mistakes. However, a time will come when Opposition politicians will have to spell out exactly how they would pay for all these services.

**Deputy Stephen S. Donnelly:** Some seven months ago, a pensioner came into my office in Wicklow. The Government had told her that if she did not have the €100 to pay the water charge, it would send men to her house to turn her water supply down to a trickle. She came in to ask me what a trickle would mean for her and whether she would be able to wash herself, her clothes and her dishes.

*4 o'clock*

The Government humiliated that woman, and many men and women around the country, because it did not listen. Phil Hogan designed this legislation behind closed doors. Contracts were signed with local authorities behind closed doors. The charging regime was agreed behind closed doors. The former Minister, Phil Hogan, then marched in here and told us all how things

were going to be. Neither Opposition nor Government Deputies had a chance to talk about it, and he marched out again.

The approach at the time was arrogant and heavy-handed, and it was profoundly anti-democratic and bad for parliamentary democracy in this country. The result, as we all know, has been fear, frustration and anger in the country. It will lead to the waste of hundreds of millions of euro of public money. It has resulted in the largest mobilisation of mass protest in this country in decades. I would have thought, in the face of so much public opposition and parliamentary frustration, that the Government would have listened this time. However, two weeks ago, the Taoiseach came to the House and said we would have a debate. He said we would not have it while the Government was figuring out what to do. Government backbenchers and Opposition Members were to be given a chance to debate this issue once we had been told exactly what would happen.

Yesterday the Minister for the Environment, Communications and Local Government, Deputy Alan Kelly, marched in, told us how things were going to be and marched straight back out again, with the Taoiseach and the Tánaiste. This is meant to be a debate, but it is not. Rather, we have members of the Government defending a position and members of the Opposition challenging that position. The position will not change based on this debate. This is a series of statements. The Minister, the Government and the Cabinet have made up their minds.

The inability to listen is not just a matter of style; it is very much relevant to the substance of the matter. The people have said that consideration must be given to ability to pay. A charge of €60 or €160 may not seem like a lot of money when it is being discussed at the Cabinet table, where the average wage is about €160,000, and may not seem like a lot of money when it is discussed in here, where the average wage is over €90,000. However, €60 or €160 is a lot of money for one of the 150,000 families in this country living in a house that is in mortgage arrears, where it is clear one has no money. A charge of €60 or €160 is a hell of a lot of money to the pensioner who came to see me several months ago in Wicklow and said she did not have the money. The woman concerned lives on €100 a week and at the end of the year she does not have a spare €60 or €160. The response of the Government yesterday was that it would make it easier for her to pay money she does not have.

It is worse than that. I have tried to work through the few numbers we have today. The meter that has been installed outside the woman's house will cost about €40 a year and the cost of billing her will be in excess of €20, and may be up to €50, a year. The cost to the State of billing her €60 a year will be more than €60 a year. The State will lose money trying to get €60 out of her. When she says, "I would pay you if I had it, but I don't have it," what will happen? Irish Water will refer her to debt collectors, who will hire lawyers, and the State will pay even more money.

The people have said that the water supply must remain in public ownership. The Government and the Minister who is here today have said it will, and we should trust them. The people, rightly or wrongly, do not trust the Government. None of us here knows what a future Government will do or whether a ruling will come from Europe that, based on new competition rules, we have to privatise our water market. We do not know what will happen. The answer we have been given is that the Government will make the legislation say that a plebiscite is required. The Government can change legislation and is not bound to hold a plebiscite.

The people have said they are not okay with double taxation. Where is the financial plan

to show that will not happen? There is none. We know future Government subvention for Irish Water will definitely be less than the current payments for providing water from central government. We know that some form of double taxation will remain in place. The people want certainty, but we have not been provided with a financial plan. We have been told that, even now, Irish Water is trying to figure out how much money it will invest after the next two years.

The Government has set up a multi-billion euro utility company with less financial acumen and forward planning than one would expect to see in a school tuck shop, and did so with other people's money. If any private sector group set up Irish Water in the same manner, it would be fired and sued for negligence. We know that domestic charges over the next two years will raise about €90 million net. A total of €271 million will be raised and some of it will be given back. We know water meters will cost between €500 million and €750 million, and billing and customer service will cost many millions every year. Based on the current system, the only thing that is happening is that the Irish people will be charged to cover the costs of charging them.

**Deputy Simon Coveney:** That is nonsense.

**Deputy Stephen S. Donnelly:** It is not, and I will be happy to sit down with the Minister privately and go through the numbers.

**Deputy Simon Coveney:** What about the €1.7 billion-----

**Deputy Stephen S. Donnelly:** The problem is that none of us has been provided with the numbers.

The people of Arklow and 40 other towns in the country have no wastewater facilities, something the Minister, Deputy Alan Kelly, acknowledged in his speech yesterday. He stated that in cases in which the water coming in was unfit for human consumption, people would not have to pay for it. We know that people with septic tanks or their own wells will not have to pay. Yet, for some reason, the people of Arklow and 40 other towns have been told that even though they do not have wastewater facilities, they will be charged for them. I call on the Minister, Deputy Kelly, to come before the House and apply the same principle which is being applied to Roscommon and those with wells and septic tanks in a fair and consistent manner to households and businesses in those 42 areas.

**Deputy Finian McGrath:** I thank the Acting Chairman for the opportunity to speak on this important debate on water and the proposed changes put forward by the Government. I feel very strongly that the Government has made a complete hames of the whole issue and simply does not get it. It is out of touch, has not listened to the people and does not seem to understand what is going on in broader society and the pain and hurt being suffered by many people.

In recent days new statistics have shown that 28.6% of children in the State are living in poverty. People cannot pay water charges. Last night, almost 1,000 children in the Dublin area were homeless and living in emergency accommodation. Yet, the Government wants to penalise families with another charge of €160 per year. The Government said it would listen to the people, but we did not get clarity. It did not listen, and it should get rid of the water charges. It has made a mockery of incentives and conservation in this debate. There was a massive over-spend on things like consultants, while at the same time the plight of our citizens was ignored.

Where was the social impact analysis? Why did it ignore the 40% rate of leakage over the past number of years when it was in power? It starved local authorities of investment and

proper infrastructure and is now blaming others for its lack of action. We need to get off the stage and listen to the people. Today there are concerns that the Government got its sums wrong in regard to the EU rules, something which has to be highlighted. It is a major warning to the Government not to cock up again on this issue.

The Government said it is listening, but it still does not get it. A Minister referred to his legacy yesterday, and then left the Dáil Chamber during the debate on an important issue. We have also seen the boards being packed with insiders. Instead, the Government should have been implementing reform, competence and accountability. It is no wonder people are angry. On top of all of this, some €500 million that should have been spent on repairing leaks in the system or dealing with raw sewage going into our rivers is being spent on water meters.

What is going on is a national scandal. Do not talk to me about public money and its use. Some €500 million is being spent on water meters and €400 million is provided in tax breaks in the budget for the well off. That is the cause of the anger and the Minister needs to understand that and choose instead to look after families that are suffering. The people understand and get what is happening. There are different rules for different people, but the citizen is hammered. That is what is at the heart of this debate.

The issues of clean water, sanitation and public health have been ignored in this debate, yet public health and clean water are key issues. Since the 19th century, the provision of clean water and sanitation have been regarded as an essential aspect in the prevention of communicable disease. This remains the starting point for any public health programme designed for low income countries today. Irish policymakers seem to be largely unaware of the public health implications of imposing a kind of poll tax on the supply of clean water. If a state does not supply people with good quality clean water, it is not implementing a good health policy.

Let me give an example of some major concerns in this regard. In the Marino area there are major concerns about the lead pipes that run into the pre-1952 houses. Local residents are concerned that lead from these pipes will seep into their water supply. This would be dangerous for our elderly, families and young people. We also have major water problems in the Clontarf area, in Killester and in Donnycarney.

Many Members have spoken about the protests. I attended peaceful protests in Donnycarney, Edenmore, Donaghmede and Kilbarrack at which there was not one sign of violence or intimidation. Of course, I deplore what happened to the Minister last Saturday. That was unacceptable. However, I equally deplore any assaults on protesters, such as the incident outside the Mansion House. Where the Government loses the moral and ethical argument is where it is critical of one side only. Any kind of violence or intimidation is unacceptable. Throwing a protester against a barrier is not acceptable. Silence on the part of the Government in this regard is also unacceptable. I deplore all acts of intimidation or violence. I also deplore the use of pepper spray on young people by gardaí. There seems to be some confusion on whether this occurred. Was pepper spray used? Also, was the individual seen throwing a brick in a photograph charged. We must speak about these issues openly and honestly. We all support democratic protests and agree that people should be free from intimidation. However, we must remain fair minded and level headed.

To return to the debate on water, one of the concerns of the Government is what is going on in the broader society. One of the main reasons people are angry is that Fine Gael and the Labour Party said at different stages over the past ten years that they opposed water charges. New

colleagues here, like Deputy Paul Connaughton and others, never said that, but the older generation in Fine Gael and the Labour Party said they strongly opposed taxes on people's homes and water charges. The fact they have changed their minds gets up people's noses. I agree we must deal with the infrastructural issues and problems, but we should remember that since the foundation of the State, this has been done from the broader taxation base.

I am strongly opposed to the proposals on the table and will fight strongly on the issues over the next couple of weeks.

**Deputy Noel Harrington:** I welcome the opportunity to participate in the debate on water sector reforms. Before I make my contribution, I join in the condemnation of the treatment of the Tánaiste and her staff at the recent event in Tallaght. I remind the House that in advance of UN International Day for the Elimination of Violence against Women on 25 November, the 78 women murdered by a partner since 1966 were remembered both inside and outside the House today. On this occasion, the same Deputies who approve of Saturday's events will, without a hint of shame, offer their unconditional support for today's reflection. I find that somewhat hypocritical.

This country has a proud and honourable tradition of peaceful protest, but what happened last Saturday was not peaceful, but intimidating and abusive. I believe the detention of people against their will by a handful of misguided and easily manipulated people, at the beck and call of a Deputy of this House, was illegal. The power to detain lies solely with An Garda Síochána and the courts. I suspect that if the shoe was on the other foot, the shrieks from the Socialist Party and the AAA could be heard from Havana to Pyongyang. Obstruction, detention, spitting and the hurling of vile homophobic and misogynistic abuse is not peaceful and no amount of chanting "peaceful protest" will make it acceptable or peaceful.

The majority of people who protested peacefully in Dublin and elsewhere have been appalled by the behaviour of a small minority, whipped up by elected Deputies who drive around with a megaphone in their car boot seeking to inflame situations - like the roving medicine men of the travelling circuses peddling snake oil and miracle cures - and then retreating to their gated communities and privilege, leaving the communities they represent without a remedy or solution. The guys from St. Michael's and other private fee-paying schools would laugh with pride.

This is a fresh start for Irish Water. It will provide certainty, affordability, simplicity and will, as the metering programme rolls out, provide for conservation and the potential to decrease the price of water. This delivery of what has correctly been described as a human right is another example of reform. While it is a human right, I do not recall it recorded in any document, proclamation or Constitution that this right should be free. It has never been free. I recall that in the house in which I lived in 1966, the last water bill for that house - £145 - was paid for domestic water supply for the year. This was replicated around the country, but Dublin Deputies might not be familiar with that. People were happy to pay for their water supply then.

I was elected to Cork County Council in 1999 and my experience in regard to water services since then is that the situation is shambolic. The system was broken. Castletownbere, where I live, is one of the 42 towns mentioned in the annex as one discharging raw sewage into the local harbour without treatment. In 1974, proposals were first made for this under the existing system. Frankly, people who want to retain that system live in fantasy land. Local authorities have delivered some significant schemes, such as that in Skibbereen, but the funding model

through which such schemes were delivered is broken. Local authorities can no longer borrow to deliver schemes and can barely address many of the day to day maintenance issues of the water supply and waste water networks.

This is the situation in a background of ever increasing and appropriate supervision and regulation through EU directives. The patchwork quilt of 31 different local authorities providing water services, 31 different directors of services with 31 different management structures that deliver 31 different priority levels made for an expensive, unwieldy, chaotic environment where even routine obligations were lost in a quagmire of confusion. The system suffered from under-investment, bureaucracy and competing local political priorities that only succeeded in allowing for a situation where cryptosporidium, nationwide boil water notices and e-coli contamination took root. The system suffered due to a cast-iron water network 70 years beyond its sell-by date, internally caked with rust with a diameter little more than a pinhole and from asbestos pipes that broke on a weekly basis. The system was broken and not fit for purpose. Many would have that situation continue. We saw such situations on the Aran Islands and Cape Clear Island this summer when they ran out of water as a result of the lack of investment. One prominent islander on Cape Clear Island described the pipe network, because of all the joints, breaks and sleeves, as being similar to an Arab's rosary beads.

This is only a taste of what lies in store for people in the greater Dublin area. The ability to provide water for the capital is on a knife edge and, while this has been known for years, the issue has not been addressed. How could it be when one looks at the existing structures? This cannot go on. The Government is committed to addressing the myriad of problems crippling the delivery of a fit-for-purpose water and wastewater network. The decisions it is taking are not popular or easy, but they are necessary. Some would have us believe all is well in water services, that the situation should remain as it is and that the water we have available in Ireland in such abundance will always be clean and flow freely, but they are living in a parallel universe. They might let me know some day how they got there. A break from reality from time to time will do no one any harm.

The same people also claim that water is paid for through direct taxation. The truth is it is partly paid for through the Exchequer, which contributes a fraction of the investment required just to maintain the network. There is little or no acknowledgement of the non-domestic or commercial sector that has always paid for the provision of water and wastewater services, from small sole traders to the largest multinationals and every farm in the country connected to a water supply. They have paid dearly for water over the decades, yet they are witnessing a decline in the network, despite their best efforts. They understand the investment in the network needs to increase greatly just to bring it up to an acceptable standard. How is this to be achieved? Those opposite would have us increase income tax to raise an extra €1 billion annually, with almost €3 billion to be raised up-front. There are 800,000 households in the country which are not connected to a public water supply or a public wastewater network. They pay their taxes also. They provide their own water and wastewater infrastructure at their own cost. Are we seriously asking these 800,000 households to accept a 3% to 4% increase in their taxes to pay for somebody else's water supply? We hear the rhetoric about equality in society. Those from whom we hear it might like to give us the benefit of their wisdom and explain to us how they can truly justify this as being fair or equal.

The establishment of Irish Water on the principle that the user should contribute will be the foundation from which the decades of under-investment in water services can be reversed in a coherent, rational and consistent way, in respect of which funding can be accessed in a manner



that would be impossible were we to sit on our hands and wait for the inevitable collapse of what remains of the network. The pricing regime being proposed is affordable, will give certainty into the future and will provide for householders to conserve more and pay less than the maximum net amount of €60 for a home with a single adult or €160 for a home in which there is more than one adult.

We have listened to the people. We have made mistakes and there is no denying this issue has been handled appallingly, but we have learned. The bonus structure and the requirement to send PPS numbers to Irish Water have been scrapped. There will be clarity, as well as certainty, for many years to come in terms of capping of charges and the structure of the water supply model to be used. Importantly, Irish Water should not and will not be privatised. It would be a brave Government that would decide in the future it was going to amend legislation and not allow a plebiscite to happen.

The ongoing metering programme will lead to conservation measures and the identifying of leaks within the curtilage of individual homes and will deliver results. I recall one householder ringing the Joe Duffy show last month, having discovered after the meter had been installed that an inordinate amount of water was passing through their home. After calculation, it was found that three months of inaction had led to 1 million litres of treated drinking water flowing from the house into the gravel beneath. This was only discovered after the installation of the meter. These are the conservation measures about which we are talking. It is not about shutting off the water when brushing one's teeth or the brick in the cistern. This will lead to identifiable and real conservation measures within the home. The idea of district and estate metering is ludicrous if we are talking about conservation. We will get one chance to do this right and this is it. I absolutely support the long-term programme of metering every single house and business in the country in order that we will know exactly where we are with an expensive resource.

The future of water services is and will be a challenge. We are fortunate to have an abundant supply. While it requires treatment and investment, this will put Ireland in a better place by providing a clean and consistent supply for homes and the capacity to attract further and future investment and jobs for the people equally throughout the country.

**Deputy Tom Barry:** While it is repeating the point, it is very important to say I absolutely condemn the thuggish behaviour that took place last week. There is no place for it in our democracy. It was shocking. Politicians from all parties might disagree with each other's policies and we might have issues between us, but allowing mob rule is a very dangerous route to take. Not only was the Tánaiste trapped in a car, which was horrific, but her staff were also attacked and bruised by bullies and people chanting "peaceful protest". I am sorry, but that is just not on. I hope they are really proud of themselves. I hope they will reflect on what they have done and apologise. It is, however, a lot harder to apologise.

I have participated in many protests during the years. I protested against sugar beet closures and with the IFA when farmers were not being listened to. However, we always did it in an organised fashion and respected the people with whom we were dealing. I do not like the way this is going. The social media campaign taking place is horrific. We need to look at this issue in more detail at a later date.

I have paid for water during the years. We received our water supply in 1966, the year my sister was born. What a revelation it was to have water coming into our home; it was fantastic and changed everything. The pipe laid in 1966 is still in place today, although, unfortunately, it

will have to be replaced because it is deteriorating. In 1966 it was a farm with some 30 cows, but today we are looking at farms with hundreds. We are increasing the animal population owing to what is the good news story of Ireland being a huge supplier of infant milk formula across the world. However, in order to produce high quality milk, we need an awful lot of water and a reliable supply. I had to sink a well two years ago at a cost of €7,000. No one here should think water is cheap because it is not. Even going down 300 feet into the ground does not guarantee a consistent supply. Water is an essential asset.

The town of Mallow, in which I live, had a reserve of only 12 hours until a few years ago, when Cork County Council spent €4 million on a new and badly needed supply. I would like to see movement on the conversation measures mentioned - for example, on the question of whether we can grant-aid water softening systems. I accept that we are living with issues such as hard water and iron in the water which, if they are not bad for people, cause a lot of trouble. I think of a town such as Youghal, in which sewage is flowing straight into the sea, despite its being a huge amenity area. That is just not on and we should be striving to fix the problem. When Deputies say they are not paying for water, that is fine, because I will pay for it. If they do not want to pay, others will pick up the tab, because it has to be done. It is as simple as that. I wonder how many are objecting to this on the basis of conviction rather than political cuteness.

We are talking about drinking water. At €1.85 per 1,000 litres, a 500 ml bottle would cost 0.0009 cent. If that is not affordable, I rest my case.

There is no doubt that the debate has been handled poorly, but people will see that there has been political acceptance of this. When one makes a policy, one expects it to be carried out properly using executive functions. If we must monitor it closely, we will do so, but it would be far better if we had the help of more people in looking to make this work, as opposed to trying to pull it apart.

The biggest issue for people in the countryside is lack of pressure. Most people have to keep their own supplies. They build a supply during the night and use it during the day. This, I hope, will be a new era in Ireland in which we will see proper infrastructure put in place. I am certainly looking forward to seeing the results in time.

**Deputy Róisín Shortall:** The game is up for water charges. The bottom line is that the public has simply not accepted them, and if the Government does not accept this fact, it is even more out of touch than I thought it was. The public has not accepted water charges for a number of reasons - some because they object in principle to water charges; some because they simply cannot afford to pay them; some because they are sick and tired of cronyism; and some because of the shocking level of Government incompetence. I believe most people have not accepted them because they are sick and tired of having to pay charge after charge, while others, most notably the bondholders, have got away scot free. For many, this is a charge too far and no amount of *mea culpa* from Ministers and Government backbenchers will change this fact. Without public acceptance of the charges, all other plans the Government may have for investment in water infrastructure are redundant. It is time the Government realised this. It will simply have to find another way.

The first test the Government has failed is that of fairness. By any yardstick, the charges are regressive. They take no account of a person's ability to pay. They are all the same and apply to everybody equally. As the Minister of State well knows, that is a regressive charge. This is the introduction of what is essentially a flat charge. There has been an attempt to soften the blow of

the charges and gain political acceptance for them by introducing what is termed a conservation grant. This is a complete misnomer as it has nothing whatsoever to do with conservation. In fact, the earlier defence of the charges - namely, that they were about conservation - has gone out the window. Everything - investment in water butts, all of the different schemes operated in schools to encourage conservation and all of the habits people were trying to change in order to use water more sparingly - has gone out the window. It does not count at all because, as this is a flat charge, conservation does not matter. It is a capped charge, a flat charge that benefits rich and poor equally. Of course, there is no detail of when people will actually receive this conservation grant. We are told that people may start to apply from September 2015. Does anybody know when they will actually receive it? Certainly, low-income families will have to fork out the full amount for most of next year without receiving any grant. This is clearly back-of-an-envelope stuff where none of the detail of this so-called grant has been worked out; therefore, it will certainly be the end of next year before people on low incomes, and everybody else, will receive any kind of relief in respect of the charges. We do not know anything about when and how it will be paid.

We will also be facing the spectacle of the Department of Social Protection sending cheques for €100 to every household in the country, regardless of its circumstances. It is ironic that this is a proposal being put forward by the Government and that of all Departments, the Department of Social Protection will be engaged in this exercise of sending every household €100, while at the same time claiming it cannot reverse the cuts made to so many welfare payments in recent years.

The Government has stated that part of the reason for setting up Irish Water is in order that it will not be competing for scarce resources with services such as education, health and other important public services, but of course it will, because at some point at the end of next year we could have a situation in which the Department of Social Protection will send rebates to a potential level of €130 million in order that every household receives this so-called grant. In the budget at the end of next year these figures will, of course, come into play. The need to send the cheque for €100 to every household, irrespective of circumstances, will be competing with the needs of schools, hospitals, public transport and all other essential services that are so underfunded. Fine Gael must be delighted that thousands of its rural voters with private supplies will receive a €100 grant that they certainly were not expecting.

The other point about the issue of fairness is that the Minister yesterday, the Tánaiste last night and the Taoiseach on several occasions have all claimed that everyone will be better off next year. This is simply not true and I ask Ministers to stop misleading people by making these statements. People on incomes of less than €10,000 will not be better off next year. The prioritisation of tax cuts for the better-off - the reduction in the top rate of tax - will ensure people on very low incomes of less than €10,000 receive nothing whatsoever. Those on short-term welfare payments will certainly not be better off next year. We know that when every person on a low income, be it from low-paid work or short-term welfare payments, has to pay his or her water charges, he or she will be worse off next year. As that figure is certainly into the hundreds of thousands next year, Ministers should stop misleading people.

Of course, the other point that arises in this regard concerns the impact on the Department of Social Protection not just in respect of its budget, to which I have referred, but also in terms of the cost of administering the scheme, whereby it must give a rebate or grant to every household. Has the cost of administration been factored in? I doubt very much that it has. Will the Department have to set up a new section? I am not aware of any other payment coming from

the Department that must be made to every single household. How many staff will be diverted to this exercise of sending €100 to everybody? Will extra staff be recruited or will they be taken from other sections of the Department which we know are understaffed? We know there are long waiting lists for a number of payments. The waiting time for carer's allowance is three months. Are those waiting lists going to increase as a result of this?

While the level of these new charges may seem reasonable, everybody knows they are the thin end of the wedge. That is a huge concern for people. The charges can only go in one direction, and that is up. It has been suggested that the user data the Government is quoting are not accurate. They are certainly not in line with data from the UK and other European countries. The Government may be significantly understating the level of water usage. Those chickens will come home to roost.

The Government sought to justify the establishment of Irish Water by describing it as a special purpose vehicle which will be allowed to borrow and sell bonds. This is portrayed as something happening in isolation from the users or customers of Irish Water. The public have learned the hard way that loans and bonds have to be repaid. To suggest this approach will somehow get somebody else to pay for the water is completely misleading. The public realise that whatever loans are taken out - significant loans and bonds will be required - they will have to repay them through higher charges in the future. Regardless of whether they are controlled in the short term, it is inevitable that they will rise in order to pay these loans. People should not be misled in that regard.

Serious questions arise about the viability of Irish Water in light of yesterday's announcement. How can any investor have confidence given the uncertainty around user fees? Why would anyone invest in Irish Water when its management has shown such vast incompetence and lack of leadership? How can anyone be confident of investing when its funding and business model keeps changing? We are told there will be penalties for non-payment but given that penalties have been pushed out to at least the middle of 2016, what happens if people hang on and do not bother paying until they kick in? Irish Water will not be generating any revenue. It appears that suddenly the Commission for Energy Regulation no longer has any role in this, even though the Taoiseach repeatedly stated that its role is vital. If it is the case that 50% of people can get a rebate, that significantly reduces the potential income of Irish Water. What are the implications of that for the funding model? In regard to collection of data and passing the market corporation test, the figures are too shaky for us to have confidence in their robustness. What happens if it fails the test?

The promises on legislation mean nothing. It is suggested that we can legislate for a plebiscite even though there is no provision for plebiscites in this country. It is absolute nonsense to suggest that we can legislate so that a referendum will be required. As legislation can be overturned by any future Government, there is no way of tying down a promise on a referendum. Equally, there is no way of tying the hands of a future Government by promising through legislation that charges will always be capped.

There are major problems with these proposals. The public simply does not accept what the Government is doing because of its track record in this regard. It did not stand up for the country against the interests of the bondholders and the ECB. It did not show fairness when it came to imposing the burden of austerity. Income and spending cuts were imposed disproportionately on the poor and now tax cuts are favouring the better-off. It did not show any appetite for the political reform it had promised. The bonus culture of Irish Water, the stuffing of its

board and the political pay-off for Phil Hogan have proven that. Apart from fairness and reform, people expected a level of competence. They have been very disappointed in this regard. This debacle has shown that the Government is not capable of setting up a new body or bringing in a new regime in a manner that secures the confidence of the public. It is a shambles and an unmitigated disaster. The Government has seriously failed the tests of fairness, reform and competence. That is why it has lost the confidence of the people.

**Deputy Pat Breen:** We are great people for knocking ourselves. When one goes abroad, the people one meets speak about the good work we have done with the economy. We are a leading example of what can be done in a few years to turn an economy around. We had a broken economy several years ago. Last week, I attended a book launch with the former Taoiseach, Liam Cosgrave, who spoke about the trouble his father, W. T. Cosgrave, had in 1928 and 1929 when the ESB was formed. At the time, every newspaper and Opposition politician was completely opposed to the formation of the ESB, but it is now one of the most successful utilities in the country. We should stop knocking ourselves. This is a great little country and we have done a lot over the last four years in terms of growing the economy and putting us back on the international stage.

In regard to water metering, Deputy Shortall was wrong when she stated that we had abandoned conservation. For ten or 15 years, I was the secretary of a group water scheme comprising 1,000 houses. Several years ago, we installed meters but we did not change the charging regime. As soon as the meters were installed we noticed a big change in supply levels, even though water was not being charged by volume. Reservoirs were full, which meant less money was needed for pumping and filtering water. Meters work, and I condemn those who say they do not work. We are proceeding with our programme of installing meters. The people who install meters are putting themselves at risk given all that is happening at present. I ask those who engage in this type of activity to refrain from preventing people from installing meters. Meters allow for conservation.

Most speakers referred to the challenges of establishing a company like Irish Water. I acknowledge that our timeframe was overly ambitious. The former US President John F. Kennedy stated: "An error doesn't become a mistake until you refuse to correct it." We have acknowledged the mistake but we are correcting it, and we will govern in that way. We have listened to the people and we have learned lessons. The vast majority of people recognise the challenges we face in providing clean and sustainable water supplies. I am confident that most reasonable people will contribute to the cost of improving our water supply.

The objective is to have a system of billing that is fair, affordable and offers clarity to householders. The measures announced yesterday by the Minister for the Environment, Community and Local Government will ensure that is what we have as we move forward. Families will pay approximately €3 per week net for the next four years. There is a welcome measure of certainty in that. I cannot say for sure what the price of diesel will be in four years' time because it constantly fluctuates. However, by extending the caps to 2019, the Minister has given certainty regarding the price of water so that families, many of whom have huge bills to pay, know exactly how much this particular bill will be.

When I spoke during the debate on the legislation last December, I warned that we must have a fair billing system that is flexible and phased. I welcome the provision in yesterday's proposal whereby householders will be able to pay their water bills through the post office. That offers flexibility by facilitating payments of as little as €5 at a time and will have an im-

portant role in safeguarding our post office network.

There is no doubt that we have a broken water and sewerage system. Indeed, the Government has identified 42 towns and villages where the service requires upgrading. The next generation will never forgive us if we do not fix the system and put in place a modern water supply that can cater for a growing population. It is estimated that by 2030 households will be using 40% more water, and there will be increased demand from industry, particularly in the pharmaceutical and food sectors.

Unfortunately, my time is up. Most decent people will pay the charges as set out in the proposals announced by the Minister yesterday. The cost will be less than €3 per week for families, which is cheaper than a pint of Guinness or even a bottle of water.

**Deputy Bernard J. Durkan:** I welcome the opportunity to contribute to this discussion. We are all glad that after a lengthy, arduous and tortuous debate on this issue, we have at least arrived at some type of clarity. I compliment the Taoiseach, the Tánaiste, the Minister for the Environment, Community and Local Government and the Minister of State at that Department on their efforts in this area. I have long had reservations on the question of water charges and I predicted many of the issues that arose long before they did. That is not to say I am opposed to the concept of charging for water. Certainly, we have an obligation to put across the message that water is not an endless resource and issues regarding supply cannot be kicked down the road. The matter must be dealt with from a conservation point of view and we have an obligation to ensure we manage this important commodity in a serious way. The proposals announced yesterday succeed in that regard.

The important issue now is how we travel on from here. I cannot help but feel sad for the Opposition parties. Unfortunately, from their point of view, the economy has come right, which they did not expect. It was totally against the run of play. To be fair, I was convinced three or four years ago that this country was finished for at least 20 years. However, thanks to the stoicism of the Irish people and the leadership given by the Government, we have recovered very considerably. Of course, that is not in line with the agenda of the Opposition. It is unfortunate that the parties opposite are competing with each other in a way never seen before for electoral support. The unfortunate Fianna Fáil Deputies are competing with the Independent group, the Technical Group and Sinn Féin. Members of Sinn Féin, taking the responsible approach, initially stated their intention to support water charges. Lo and behold, however, they did an about-turn when it became clear that to do so might garner electoral support.

It is important to deal with the question of the right to water. Of course everybody has a right to water; it was always that way. However, in the past people had to go down to the pump in the village square and turn the tap. Incidentally, in those days the water was not actually free because there were rates to be paid. The right to water also applies if one wants to go to the river, take it out in a bucket and bring it home. Thanks be to God, we do not have to do that anymore. These days we employ people to do all the work for us, namely, treating the water and piping it into our homes. When we get to the point where we have a sophisticated water system, some way has to be found to put in place a structure to deal with it. While we might not like the concept of a body like Irish Water, there is no other way to do it. It has been proven that without such an entity, what we want to achieve will not be achieved. The National Roads Authority is a good example in this regard, which is not to say the local authorities were not also effective in their previous role.

As other speakers noted, it seems there are no depths to which some people will not go to further their political ambitions and display their wares to the people. All they are doing is competing for the vote in the next general election and seeking to buy that election. In doing so, they are treating some people in a despicable fashion. I refer in particular to the incidents which took place last Saturday in Tallaght. I have spoken to some of the people who were present, none of whom is at all associated with either the Tánaiste's party or the protestors. They told me it was a horrifying event which left many people who were there frightened. Some of them have not yet recovered from the effects. What worries me even more is that the finger of blame has subsequently pointed toward the Garda and institutions of State, including the Department and the Government. The idea seems to be that if those people were not there, the protests would not be taking place. I take this opportunity to issue a warning to the House. Responsible people power is fine up to a point. Let us not forget, however, that the manifestations of people power we have seen throughout Europe in the past were not the sort of which we would wish to boast. We should all be very careful how far down that road we go lest we end up with something we do not really want.

**Deputy Pat Deering:** I am grateful for the opportunity to speak on this important issue. I have been paying for water for many years and am delighted to do so. Twenty-five years ago, a mains water supply was installed from the River Slaney in my home village of Rathvilly to Carlow town, some 20 miles away. At that time, the major concern was that the river would be dry within ten years. I can assure everybody in the House that there is more water in the Slaney river today than there was 25 years ago. I do not expect it to go dry any time soon. It costs a lot of money to bring that water to my house and to homes in Carlow town. I am glad to make a payment and have, in return, a guaranteed supply of good-quality, clean water. Even during the heavy snows three or four years ago, our supply was secure while others were not so fortunate.

I would be the first to admit that many mistakes were made on this issue in the past year or so. Perhaps our greatest mistake was this time last year when the decision was made to guillotine the Bill. We learned a lot from that. Our second mistake was that we were too ambitious in our whole approach to the project. Trying to rush through in ten or 15 months what it took other countries ten to 15 years to do was not a good plan. Again, we have learned from that mistake.

A story that has not been told properly is why we actually need Irish Water. We need Irish Water because we need a single utility company to bring a high-quality and reliable water supply to every house in the country. Colleagues have drawn a comparison with the establishment of the National Roads Authority, the benefits of which can be seen in the major improvements in roads infrastructure throughout the country. As we know, there was resistance to the establishment of the NRA. We are all guilty - Members, the Government and Irish Water itself - of not explaining why we need such a company.

*5 o'clock*

Under the convoluted local government structure, 31 different local authorities did their best to manage water. Having a single utility company that will be able to borrow money off-balance-sheet will be very effective.

The system has been badly broken for years. Many householders are on boil-water notices and certain sewerage schemes are in a disgraceful condition. We have heard a great deal about drinking water but this issue encompasses sewerage systems also. It is disgraceful that in some towns raw sewage is being pumped into rivers or the sea. This issue must be addressed. Deputy

Stephen Donnelly raised many issues but he forgot to mention how the problem in his local town of Arklow could be addressed or from where the money to do so would come.

People are protesting about a number of issues related to Irish Water. Affordability was a major issue. The structure of Irish Water caused significant difficulty for people, including me. I became uneasy with the culture of the company and its approach to bonuses and so forth. Thankfully, these issues have been addressed. I am also glad the proposed use of PPS numbers has been addressed, although I believe this was a red herring. The issue of the first fix has also been resolved and the proposed charge will not apply. Privatisation was also a red herring, and the only people who raised it were Deputies Paul Murphy and Clare Daly and a small number of others. It too has been put to bed once and for all.

The debate on water charges has been characterised by political opportunism. The parties opposite must ask themselves questions about where they are going. A great deal of positioning has been taking place in advance of the next general election. We saw how quickly Sinn Féin changed tack when it lost the Dublin South-West by-election to Deputy Paul Murphy, who was either the Socialist Party or the Anti-Austerity Alliance candidate - I am not sure which. When Deputy Murphy won the by-election, Sinn Féin immediately flip-flopped.

Deputies must be very careful in this regard and members of the public must be conscious that the same Deputies who are advising them not to pay advised people not to pay the household charge a couple of years ago. Those who listened and did not pay are now stuck with penalties of twice the amount of the household charge. They are contacting me and other Deputies to find out what we can do for them. People should be very wary of the advice and information they are being given by Sinn Féin, the Socialist Party and other parties, because it may take them down a dangerous road.

The conservation element is very important. Metering is a major issue, which must be our friend for the future.

More negotiation is required to refine the measures in respect of landlords. I ask the Minister to introduce an element of flexibility for landlords in the coming weeks.

**Deputy Sean Fleming:** I appreciate the opportunity to speak in this debate following yesterday's announcement by the Minister for the Environment, Community and Local Government, Deputy Alan Kelly. I was surprised to hear a Minister who has been doing his job for only a few months refer to his legacy. His ministerial colleagues were smirking when he made that comment because they have been around the House for long enough to know not to speak about their legacy. The fact that a Minister who is four months in the job is thinking about how he will be perceived by future generations said it all.

What was yesterday all about? It was an announcement of a rescue plan for Irish Water and the Government. I acknowledge that it provided certainty and confirmed that people in single households will pay €160 per annum for water. Given that people pay for water through taxation, the charges will amount to double taxation. Households with two or more occupants will pay €260 per annum through this double tax. It would be easy to put to bed the argument that water charges are a form of double taxation. The Government could simply introduce a reduction in tax commensurate with the amount people will pay in water charges. If that were done, one could accept the argument that the water charges do not amount to double taxation. However, the tax burden has not been reduced as a result of the establishment of Irish Water.



While the Government reduced the top rate of tax in the budget, the reduction applies only to high income earners - those earning more than €70,000 or thereabouts - and did not affect the majority of people.

In the next few days, many people will decide to grin and bear the measures announced yesterday on the basis that they will receive a rebate. When the dust settles, however, they will begin to ask what all this was about. Yesterday will go down as one of the biggest raids ever on taxpayers' pockets. I hope people will concentrate on this issue from today, although it may be a week before they do so. The Minister stated that taxpayers would have to pay an additional €180 million by way of payments from the Department of Social Protection to people who register with Irish Water. He then announced that taxpayers would have to stump up an additional €60 million in the form of an increased Local Government Fund grant to local authorities to make up for the commercial rates that Irish Water will not be required to pay. Every other public utility pays rates to local authorities. The payments to be made through the Department and the commercial rates relief programme will cost €240 million, all of which will have to be paid for from general taxation. This means there will be triple taxation, because people who pay for their water supply through the general taxation system will have to pay on the double on the basis of the new water charges, and on the treble by virtue of having to subvent Irish Water to the tune of €240 million. People may not yet have cottoned on to this triple tax, but they will do so as soon as they ask how the finances will operate.

Yesterday was all about getting politicians off the hook. While the Government may have had limited success in that regard, people will see through it by tomorrow morning. The biggest farce is the requirement for off-balance-sheet financing. Those following proceedings and those with an interest in the matter will ask what is Irish Water. It is meant to be a commercial utility but, as I stated, it is not behaving like one. People are not given €100 for registering with the ESB or Bord Gáis or for paying the television licence. In addition, the ESB, Bord Gáis, EirGrid and every other public utility or mobile phone company must pay commercial rates on their commercial activities. Irish Water is either a commercial utility or it is not, and if it is the former, it must pay rates. The measure on rates copperfastens the view that this is not a commercial utility. For this reason, Irish Water will not satisfy the off-balance-sheet financing requirement.

The figures I have provided have not yet been placed on record. I will now provide figures on what taxpayers will invest in Irish Water in this calendar year. The Department of the Environment, Community and Local Government, through the Local Government Fund, will invest €440 million in Irish Water in 2014, while the taxpayer will inject further equity of €240 million. In addition, the National Pensions Reserve Fund, which consists of pension contributions, will invest a further €90 million this year, giving a total investment in Irish Water by taxpayers of €770 million. It is nonsense, therefore, to claim that this is an off-balance-sheet equation. That argument will not stand up. Every figure I have cited has been provided by the Government. The figures for 2015 are included in the recently published Estimates. They show that the Government will provide €540 million through the Local Government Fund to Irish Water for water services. A further €400 million of taxpayers' money will be allocated from the Central Fund by way of equity investment, as opposed to voted expenditure. The taxpayer is putting another €180 million in through the Department of Social Protection's payment for 1.8 million houses if they register and thus receive their €100 refund. The taxpayer is putting in an additional €60 million through the local government fund as a result of the rate subsidy for Irish Water. Therefore, taxpayers are putting €1.18 billion into Irish Water next year, which is more

than it will spend in the entire year. Not only is it off-balance sheet, but practically everything it does this year and next year is being funded directly by the taxpayer. I do not believe for a minute that this will satisfy the EUROSTAT rules in terms of the market corporation test. Nor do I believe the Irish people can walk away from the massive investment of wasted taxpayers' money - €500 million for meters and €200 million on set-up costs. That wasted €700 million will go down as one of this Government's biggest legacies.

I have written to EUROSTAT seeking confirmation of whether it accepts these indirect subsidies for Irish Water as the substance of what is happening. Do the Minister for Public Expenditure and Reform, Deputy Howlin, and the Minister for the Environment, Community and Local Government, Deputy Kelly, think they can come up with an accounting trick to get around the substance of what is happening? I have also written to the Comptroller and Auditor General asking him to investigate the money wasted on these meters.

Irish Water intends to invest approximately €500 million per annum on water services in 2014, 2015 and 2016. The taxpayer is putting in €770 million this year and Irish Water will spend €500 million on water services, so where is the other €270 million going? It is going to pay for the super-quango of Irish Water. The taxpayer is putting more money into Irish Water than the company is spending on water services. The country would be better off if Irish Water had never existed. If we had put €750 million through the Department of the Environment, Community and Local Government and other sources, it would be going into water services and not hoovered up by a super-quango.

The figures for 2015 are even more startling. Irish Water has an investment plan in the order of €500 million per annum but the Government is putting €1.18 billion into Irish Water next year. Therefore, we are putting €680 million more into Irish Water next year than the company is spending on its capital investment programme. I want to repeat those figures because people will not be aware of them otherwise. Some €540 million is going in through the local government fund, as announced on budget day. Some €400 million is going in by way of an equity injection from the Central Fund, which is taxpayers' money. Some €180 million is going in through the Department of Social Protection by way of a registration fee for those who register and an additional €60 million is going in as rates support because Irish Water will not be paying rates to the local authority, as every other commercial utility does. Therefore, of the €1.18 billion going in from Irish taxpayers, €500 million is paying for water services, so €680 million is being mopped up by the super-quango.

The country's water services would be better off if Irish Water got off the stage and let taxpayers' money be spent on such services. Under the old regime years ago, money used to come from Europe to the Department of Agriculture. The farmers always complained that half of it was soaked up in administration before it got to them. We now have exactly the same situation with Irish Water because more money is being soaked up in running that quango than is being spent on the services it was established to provide. People might want to have a go at the figures I have cited, but I have taken them all either from the Government Estimates or from a recent report presented by the Comptroller and Auditor General to the Committee of Public Accounts. They are published figures from those sources.

I will now move on to some of the other unfortunate aspects of what happened yesterday. As I said, Irish Water should be closed down because it is a drain on the economy and a hindrance to investing money in water services. More would be spent if the company was not there. Some people say that meters will help with water conservation, but the new charges will

do exactly the opposite. I recall a lot of people watering their flower beds and washing their cars during the summer. They said that was the last year it would ever happen due to the future cost of metered water. When people pay €60 or €160 for water next year, however, they will say, "We have paid for it and we are going to use it". This will encourage people to use water less carefully than if they had been metered. Since there will be a cap on the bills, they can water their lawns, wash their cars and fill their swimming pools for free. The proposed system will increase water consumption, rather than conserve it. What the Government has done is perverse.

I will now turn to another perverse position from the Government. Both the Taoiseach and the Minister have said that water meters will help to identify leaks. However, meters will only identify leaks between the meter at the front gate and the house; they will not identify leaks in the mains infrastructure. If the Government was serious about dealing with that issue, Irish Water would be putting a significant amount of money into fixing those leaks.

**Deputy Regina Doherty:** It is.

**Deputy Sean Fleming:** Irish Water's proposed capital investment plans summary for 2014 to 2016 contain a schedule which adds up to €1.771 billion over the next three years to the end of 2016. It contains a figure for customer-side leakage of €51 million, which is less than 3% of the Irish Water budget.

Even before we got yesterday's announcement, the Government knew that only 3% of Irish Water's resources would be spent on customer-side leakage because the majority of leakages are in the mains. We often see water mains bursting in the street, and we also know there are leaks in the pipeline taking water from the Blessington reservoir to Dublin city. Those are the main leaks; they are not on people's private property. Irish Water proved that itself by knowing that less than 3% of its budget would be required for that particular purpose. It will not identify those issues at all, however.

By the end of 2016, half a million houses will still be without meters, so where is the conservation there? We have 500,000 houses with meters today and hopefully the plan is that by the end of 2016 we will have about 1.2 million houses with meters.

There is a litany of things I could say about how badly Irish Water runs its affairs. One of the most pathetic things, however, was a RED C survey the company sent out to get its customers' complaints. They are almost trying to make themselves out to be nice guys. They say that for every customer who completes the survey, they will donate €1 to one of three charities, LauraLynn Children's Hospice, Pieta House or UNICEF. It is a pathetic effort to try to buy goodwill. They are hiring RED C to find out what people think of Irish Water, but everybody knows that already. That survey was a waste of money. Irish Water has sunk to a low level when it operates on the back of charities' good names to try to salvage its reputation. It should be closed down immediately.

**An Leas-Cheann Comhairle:** I now call Deputy Olivia Mitchell, who is sharing time with Deputy Regina Doherty. Is that agreed? Agreed.

**Deputy Olivia Mitchell:** I know Deputy Fleming will be pleased to hear that money has been put into Irish Water to fix domestic leaks. Everybody will get their first leak fixed at no charge. He says that domestic meters will not find leaks and save water, but Irish Water has already discovered leaks in 22 houses of over 1 million cubic litres per day. That is enough to

provide water for the entire town of Gorey, so meters do work.

I have been in the House for 17 and a half years and we have dealt with terribly difficult social, economic and financial issues over the years, the worst being the collapse of the banks and the later realisation that we had to go cap in hand to the IMF for a bailout. During those years, it seemed that was the worst possible thing that could happen to us, and I hope it will prove to be. However, none of these issues ever generated the amount of debate, heat and political engagement among the public that water charges have. Nothing has demonstrably upset people in the same way. It leads me to the conclusion that this must be about more than water, a conclusion many others have come to as well. For many people, the high cost of water was an issue, and I welcome the fact that this package has reduced the cost of water. This was the straw that broke the camel's back. People reached the tipping point after the loss of income and assets and the accretion of charges and taxes that they have endured since 2008. The reaction was exacerbated and given momentum by the fact that we did not handle it in a way that recognised that this was the tipping point. We must admit that we did not adequately make the case for Irish Water. A very strong case can be made for Irish Water. We did not think through the announcements, the level of the charge, the mechanics of collection and the penalties. In the absence of hard facts, rumours abound, and there was no shortage of those willing to fan the flames and sow the seeds of fear in a population already put to the pin of its collar.

I find myself in agreement with the Opposition on one important point: that some of the disruptive and damaging water debate could have been avoided if the original legislation had been adequately debated in the House rather than restricted to three hours and subject to the guillotine. It is not the first guillotine we have had in the House. In the time I have been here it has been a regular occurrence, but it is possible that some of the flaws in the system, the mistakes and the misunderstandings could have come to light in the course of a lengthy debate. They should have come to light in the House and been dealt with in the House rather than on the street. That is how we resolve problems in a democracy. Democracy can be frustrating, slow and inefficient, but the promise of democratic debate, with its to and fro and the guarantee that the Opposition will get a hearing, is what ensures the consent of the people to be governed even by a Government they did not elect and that they may not like. The democratic debate, with all its flaws and the flaws of its participants, is the safeguard of our democracy and we ignore it at our peril.

I put on the record my strong support for water charges. When I canvassed during the general election campaign, I told people at the doors there would be water charges in the programme for Government. Many thousands of people voted for water charges. I welcome that the conservation element is strong, and it will be stronger when we move to a metering system when all the meters are in. We must deal with the leaks now. I welcome the announcement that, as soon as we have meters, we can strive to beat the cap through water-saving. It is a conservation principle recognised and practised the world over. It is a no-brainer, and for people to come in here and talk about the problems of metering water or say that we should not meter water because it is a human right is a nonsense. People are entitled to water, but it is an expensive and scarce resource. It makes little sense to use expensively collected, treated, stored and distributed water to wash our cars or water our lawns, or to allow it to seep into the ground through leaks. Even if we had all the money in the world, it would make sense to charge for water and encourage people to conserve it. We do not have all the money in the world, however, and we need investment. In my constituency, the pipe that brings water to most of Dublin was laid by Queen Victoria's Government. I have seen a cross-section of it; the diameter has halved and it

is held together by a cobweb of rust. We need to invest in it before it finally goes. We already have a lack of capacity in Dublin, which has cost us jobs. We have been talking about replacing the pipes and the distribution network for as long as I can remember, perhaps more than 30 years, but we have not moved even one inch closer to implementation. The population has increased in Dublin, but the catchment area has not increased. The catchment area has not been defined for the new source of water to serve Dublin. I could speak about sewage going into rivers and seas.

Local authorities have many schemes but, without the potential for decent economies of scale, many of schemes were never implemented and had no prospect of being implemented. Water catchment schemes and wastewater schemes in a small country need to be seen as regional or national schemes. Counties need to co-ordinate and share schemes to achieve maximum efficiency. Irish Water is already tackling the most urgent schemes with a view to early delivery. This work is being carried out by the much-maligned engineers taken from the councils, who are now working flat-out devising vital water and wastewater schemes that will save us billions. These schemes had no prospect of being delivered without Irish Water. When the first wave of work is done there will be no need for that number of staff, and staff levels and costs will go down with natural wastage. Costs will also go down when we have a better water network. That is a good news story that we probably did not tell very well. On the other hand, there are those who did not want to hear it.

If there was a failure on our side to recognise that people were at the tipping point, there is no excuse for the kind of violence and disruption we saw at the weekend. The elected Members of Parliament who defended those actions know the dynamics of a crowd and that a peaceful demonstration, if manipulated and encouraged by a handful of people, can become a rioting mob that cannot be controlled. Neither is there a place in a democracy for threatening Ministers or telling them they are in danger of being attacked if they go into deprived areas. That is an insult to the people living in deprived areas.

I heard the woman who tried to restrain the Taoiseach when he was arriving at an event in Sligo defending herself. Does she realise that if she lived in any other country she would be in prison? If she tried to do that to President Obama, she would be in prison.

**Deputy Regina Doherty:** I welcome the opportunity to speak on the motion, because I did not get the opportunity to speak on the Bill last year. I acknowledge that it was wrong. The debate yesterday and today is very welcome. I welcome the announcement on water charges yesterday, and the associated caps. This gives the clarity and certainty that has been called for by people the length and breadth of the country - not just the people who came out on marches but the tens of thousands of people who contacted Members, talked among themselves and made quiet inquiries seeking clarity and certainty. I welcome the fact that they now have clarity after yesterday.

No one is perfect and no one gets everything right all the time. We are lucky to get things right most of the time. No Member has a seamless record and no Member of the House, whether past or present or on the Opposition or Government benches, is perfect. What happened yesterday signifies that, at long last, we have a Government in power that is not afraid of putting its hands up and saying it got things wrong. More importantly, it is moving to fix what it got wrong. Yesterday demonstrated that our Government sincerely listened to the public's demands and rectified the faults as comprehensively as possible. We now have water charges to be capped at €60 per year for single-adult households and €160 per year for all other house-

holds, when the €100 conservation grant is taken into account. This provides the long-awaited comfort, transparency and stability wanted by families. Registered customers of Irish Water have the opportunity to beat the cap through conservation measures, which will see them paying less than the capped rate. I also welcome the later start date for charges, which will be 1 January 2015.

Mistakes have been made in the presentation of the facts and figures and in the management of data. Most importantly, mistakes were probably made in the hurried nature of the creation of Irish Water. However, the Government has listened to the people of Ireland and introduced structural changes and water charges, respectively, yesterday. We held up our hands and admitted these mistakes had been made. This motion demonstrates how the Government has reacted and, most importantly, listened to the people.

There is something we have not done, and that is instil fear and distress in families across the country. These were false fears that were aggressively executed by the Opposition Members. My colleague, the Minister for Transport, Tourism and Sport, Deputy Paschal Donohoe, correctly pointed out last night that the Opposition's track record is not all it seems to be. Light needs to be shed on the promises made by the Opposition on the likes of refuse charges, property taxes and now water charges to families across Ireland. These promises were made but were not kept. Deputy Fleming has left the Chamber but he mentioned earlier that yesterday's announcement was the biggest ever raid on the taxpayer. He must suffer from amnesia as the ultimate austerity tax of the universal social charge was introduced by Fianna Fáil, and it constitutes the biggest raid on this country's taxpayers. None of us will forget that.

I am sure I am not alone in pointing out our utter disgust at the behaviour of Sinn Féin last week, which was no more than a failed strategic move to divert attention from its track record of untruths and cover-ups around allegations through the years. It was pathetic, but people really saw through that stunt for what it was.

**Deputy Dessie Ellis:** They have seen through the Government's stunt.

**Deputy Regina Doherty:** Do not start me. I understand the genuine concern which remains among Members of this House and, more importantly, members of the public with regard to both water charges after 2019 and the obvious ploy of the Opposition to play on the issue of privatising Irish Water. Let me say it again. This Government is listening and it will work to introduce legislation which will allow for the continuation of capped charges beyond 2019, if necessary, and additionally, the Government will legislate to ensure there will not be any changes to the ownership of Irish Water. The issue should be put before the people and water will always continue to be publicly owned, assuming that is what the Irish people want. We know that is what they want.

As I mentioned, this motion demonstrates that we have listened and acted positively on what we have heard. I take this opportunity to assure people that we are not afraid to say we have got this wrong, and we will continue to listen. This motion presents a fair and affordable solution for both the people of Ireland and our national infrastructure. The installation of meters will continue, the quality of water and water services will strengthen, water conservation will grow, bills will decrease and leaks will be fixed. That is all in the national interest.

**Deputy Paul Murphy:** The Government and the Minister, Deputy Alan Kelly, had their very best Malcolm Tuckers working on their presentation of the new water charges regime.

Their master plan was to decide to appeal to “reasonable” people, and I guess the logic emanates from the feeling of who would not think of themselves as reasonable. I am accused of being a kidnapper by the Taoiseach, a ringleader by the Tánaiste and akin to ISIS by Deputy Coonan of Fine Gael, and even I consider myself a reasonable person. It was good thinking to appeal to the reasonable section of society.

A reasonable person is somebody of sound judgment, so what will they make of the plan? A reasonable person will notice that all the talk of conservation is now gone for four years and there is now a flat-rate, regressive home tax, where a multimillionaire household will pay exactly the same as a household with one or two unemployed people. The bottom 10% of our society in terms of income, with disposable income of €8,500, will spend almost 2% on water charges, whereas the top 10% will spend just 0.1% of its disposable income. A reasonable person will notice that this is a purely temporary measure, after which an average family will pay more in water charges than they would have under the old regime. With the withdrawal of the 30,000-litre household allowance, the annual cost for one year for a single-adult household will be €200 from 2019, whereas under the old regime, it would have been €117, based on usage of 148 litres per person per day. Those are the figures for the Dublin region from the Department of the Environment, Community and Local Government. For a two-adult family, it will be €400, as opposed to the €380 it would have been under previous arrangements.

A reasonable person will see we have an empty promise about legislation. The Government is promising legislation to provide for a plebiscite before any privatisation, but such legislation could be repealed by a future Dáil, or the plebiscite could simply be ignored by a future Government. Every reasonable person, using sound judgment, would surely think about where he or she has heard these sorts of arguments and promises before and it will remind people of bin charges. Exactly the same comments were made but the waivers went, prices increased and bin services were disastrously privatised at the expense of workers - such as those at Greyhound - and consumers. The reasonable people who do not want water charges that people simply cannot afford - or privatisation - will know that we must stop water charges now and end Irish Water. We must stop the commodification of our water, regardless of price. Once this basic human need and right is commodified, the price will increase and the company will be privatised.

Those reasonable people need to join the We Won't Pay demonstration on 29 December and the massive Right2Water protest on 10 December while, above all, preparing, arguing and organising for a massive boycott that will sink these charges as the poll tax was sunk in Britain, when it simultaneously sank Margaret Thatcher. It will be similar to how water charges were sunk here in the 1990s.

Currently, the airwaves are filled with the Government all of a sudden recognising a chronic under-investment in water infrastructure, as is reflected in many aspects of our infrastructure as a society. This Government and Fianna Fáil share responsibility for that as they have been in power over the last decades and chose not to invest while instead doing other things, like bailing out bondholders and offering an almost tax-free existence for the likes of Apple, Google, Facebook and the rest. The magic answer is the phrase “off-balance sheet”. The Government is trying to blind people with science by using the phrase, arguing that there is somehow free money coming about because something is off-balance sheet. There is no free money, as this will be a publicly owned company until it is privatised. Any loan taken out must be paid for by us through water charges. There is no extra free money coming about because something is placed off-balance sheet. It is an accounting trick.

We can examine the elements of the market corporation test, which indicates that sellers must act to maximise their profits in the long term. In order to pass the market corporation test, which the Government is committed to, Irish Water must be a profit-maximising entity. That means there will be attempts to raise prices and do whatever is possible to raise more money from people.

I will refer to the protest in Jobstown on Saturday, which has been the subject of such overblown attacks in the Chamber today and right across the media. We should remember that those attacks did not start on Saturday in Jobstown.

They started two weeks previously with talk of a sinister fringe and dissident elements interfering with protests. This is the stick that goes with the baby carrot announced by the Minister, Deputy Kelly, yesterday. It is a conscious tactic to demonise protesters and frighten people away from the protest on 10 December and involvement in the campaign against water charges.

The protest on Saturday was organised by local residents, overwhelmingly women. Contrary to untruths told in this Chamber, graduates of An Cosán were not jeered but were cheered and applauded by protesters. There was a peaceful protest by hundreds of people, a sit-down protest and a slow march to express anger. The media has disgracefully attempted to denigrate the protesters and the people of Jobstown and Tallaght. Independent Newspapers is leading this denigration, and this is no accident, because Denis O'Brien has a commercial interest in denigrating protests against water meters that he is imposing. Similarly, it was no accident that Shell to Sea protesters were denigrated by Independent Newspapers when it was controlled by Tony O'Reilly, and it was no accident when the workers of 1913 were denigrated by Independent Newspapers, then controlled by William Martin Murphy. This is what the media does and this is what the establishment does.

All the Deputies from the establishment parties claim to be in favour of the right to protest and suddenly say they have participated in many protests. They say they support peaceful protest, but every time a movement threatens the rule of the establishment the protests are denigrated and demonised. People are angry and they have every right to be so. This is about more than water charges - it is about cuts to child benefit, cuts to rent allowance and the destruction of people's lives over the past six years. Above all, this is about the mass of people becoming involved in politics, and that concerns the establishment. The word "mob" is used to discourage people from engaging with politics outside election time. The Labour Party wants people to be voting fodder that will sit back and allow the party to break its promises. Things have changed and that is why the Government is scared.

I will finish with a short quote from James Connolly:

But at last, with the development of manufacturing, came the gathering together of the mob, and consequent knowledge of its numbers and power, and with the gathering together also came the possibility of acquiring education. Then the mob started upon its upward march to power - a power only to be realised in the Socialist Republic. In the course of that upward march the mob has transformed and humanised the world. It has abolished religious persecution and imposed toleration upon the bigots of all creeds; it has established the value of human life, softened the horrors of war as a preliminary to abolishing it, compelled trial by jury, abolished the death penalty for all offences save one, and in some countries abolished it for all...



Connolly concludes by saying “All hail, then, to the mob, the incarnation of progress!”

**Deputy Michael Fitzmaurice:** In Roscommon-South Leitrim, quality of water is paramount, but for the past ten years this has been neglected by successive Governments. I hope that in the next 12 to 15 months this will be resolved.

Everyone knows that Irish Water has been a fiasco from the start. People joined Irish Water having left jobs with large pensions, and they have been granted bonuses and mileage expenses at the new body. None of this would be allowed to happen in the private sector, and anyone expecting such conditions would be sacked. This system cannot continue. People must stand up and be honest when something is wrong. Irish Water reminds me of the HSE: there are too many chiefs and not enough Indians. Last weekend I saw a sample of dirty water from Cloonfad, County Roscommon. I worked in the water sector previously, and on examining this sample I could see that the problem was not water quality; rather, the pipes had not been scoured.

Last Saturday people protested - nobody here will condone things that get out of hand - but if politicians do not listen to the people, problems will arise to the north, south, east and west. Between bank bailouts, cuts and water charges, people are sick and tired and feel politicians have let them down. Only 10% of people voted in the last by-election in Tallaght, and this indicates a worrying trend.

Last night I listened to the former Minister of State, Deputy Fergus O’Dowd, and I thought he was very honest. He said he had indicated the problems to the powers that be all along but they did not listen. It is true that Deputy O’Dowd rolled out the scheme, but if this is how the country functions, with senior civil servants dictating the pace, we in the Dáil must have a frank and open debate on who runs this country. I have seen first-hand instances of the National Parks and Wildlife Service failing to listen to Ministers and ordinary people.

The Minister, Deputy Kelly, announced a new type of water system yesterday, and this marked a day when people power made politicians listen. It is good to finally see that PPS numbers will no longer be required. I have been watching television for a long time and I am not a wet week in this House, but it is good to see politicians admitting mistakes at long last and saying “I got it wrong.” Whoever put the politicians in this situation should be wheeled out too - representatives of the Department should also say “We got it wrong.”

Yesterday’s announcement can be dressed up in many ways, but there is only one way of keeping control of water safely in the hands of the Irish people. It requires a referendum. We can give shares to Ministers, but this will not solve the problem if a future Government decides to sell Irish Water. I was pleased to see provision made yesterday for weekly payment of the water charge in post offices, but it is strange that only a few weeks ago in this House such a provision was deemed impossible for people who pay tax of up to €4,000 on heavy goods vehicles.

Yesterday’s announcement put paid to the Government’s talk of conservation. I am chairman of a group water scheme that installed meters around ten years ago, after which water usage fell from 970 cu. m to 490 cu. m per year. We were able to find leaks inside and outside the line. Yesterday it was announced that it would not matter whether a household used a gallon or a million gallons, because it is all the same.

I read the fine print on all this last night and I was worried to see that in the spring of 2015 the price structure for group water schemes on the public supply will be examined. One wonders what non-domestic water users have to look forward to, because the regulator has been

very quiet in the past week. I understand that he will be wheeled out in the coming months to tell non-domestic water users in council schemes what they will pay. I am talking about farmers and people in business. Is this how money lost through the provisions announced yesterday will be recouped? Following yesterday's announcement, is this where the money is going to be picked up from? I am not a pessimist but I am a realist and I fear, whether it is in two or three years' time, when it comes to the subvention for the rural group water schemes there will be cuts. If Governments have failed to take note of what the national federation and each of the group water schemes have done throughout this country for water by delivering a quality service, then I will make it clear. Let no Minister ever touch these schemes. If they take away the subvention, it will amount to the decimation and destruction of one of the finest things in Ireland: people throughout the country running schemes voluntarily. I have no wish to scare-monger but I fear that when we do the mathematics following yesterday's announcement, it simply does not add up. There is something coming down the road, but let me be clear: people will stand up, like they did before and they will do so again, if the group water schemes are touched around the country.

**Minister for Communications, Energy and Natural Resources (Deputy Alex White):**

The Government has listened to the people. The package announced in this Chamber yesterday brings simplicity, certainty and affordability to every family and individual in Ireland. At a net cost of €60 per year for a single occupancy house and €160 for every other house, the water charge will be 16 cent per day for a single person and 44 cent per day for a family, far less than one would pay for a bottle of water in a supermarket or corner shop. The package also ensures that there will be easy-pay options in place for those who genuinely have difficulty paying the charges, which are among the lowest in Europe.

I believe people will accept that this affordable package represents a fair and reasonable approach - I will come back to the reasonable point in a moment if I have a chance - at addressing the undeniable need to invest in our poor and deteriorating water and sewage infrastructure. Whatever way we do it, only the people will provide that investment. No one else will do it for us. I am equally confident that, at the appropriate time, EUROSTAT, will confirm that we have met the EU's market corporation test which will keep Irish Water investment separate from the Exchequer figures. Among other things, yesterday's package was designed to do precisely this. The Government is fully confident that with just 44% of the company's subvention coming from the Exchequer it will comfortably clear the bar, which is set at 50%.

Another significant element of the package is the improved governance arrangements for Irish Water and its parent company, Ervia. The current board of Irish Water is being stood down at the end of this month. In its place we will establish an overarching non-executive board with responsibility for the performance of the Ervia group, including Irish Water and another public utility, Gas Networks Ireland. This will establish better corporate governance with clear responsibilities and lines of accountability. Irish Water and Gas Networks Ireland will be subject to control and oversight by the Ervia board. Irish Water and Gas Networks Ireland will each have a four person executive board that will report to the overarching Ervia non-executive board. Today, the Public Appointments Service initiated a process using *stateboards.ie* to seek applications from suitable candidates to fill four vacancies on the Ervia board. NewERA will lend its expertise to the recruitment process in line with the new arrangements for appointments to state boards agreed by Government in September.

The Minister for the Environment, Community and Local Government, Deputy Kelly, announced in the Dáil yesterday the intention of the Government to amend the legislation to

extend the membership of the Ervia board from nine to 11 people. This will mean we will have a full complement of six vacancies, with two additional vacancies on top of the four now advertised. The new process for appointments to State boards requires interested applicants to meet clear appointment criteria, which will be in the public domain. Applicants will be required to submit an application form and a detailed curriculum vitae together with a completed competency questionnaire and a covering letter. The Public Appointments Service will assess and short-list those applications. Thereafter, NewERA will consider the short-listed applicants and will take account of its advice before making final appointments.

This Public Appointments Service and NewERA process will strengthen the Ervia board, which will include members with proven experience in water services and energy infrastructure at a senior level along with expertise and high-level experience in areas such as corporate governance, leadership, transformational change, finance and law. Other changes within the group will combine to create economies of scale and synergies between Irish Water and Gas Networks Ireland, including common approaches to major projects and shared services efficiencies. These changes, particularly the new single non-executive Ervia board, will ensure a firm focus on making Irish Water fit for present and future purposes. The changes will strengthen cohesion within the group and will remove the potential for ambiguity in the decision-making process. As a result, it will be able to deliver on the Government's package of Irish Water measures announced yesterday.

I had an opportunity to listen to much of the debate, which has been interesting and often insightful. I heard Deputy Paul Murphy some minutes ago making an attempt to defend himself and demonstrate to the House that he is indeed a reasonable person, despite all of the suggestions - upsetting for him - that he is otherwise. I wonder about the grip on reality of an individual who thinks that trapping someone in her car for 12 hours is a peaceful protest. What kind of reasonableness does that demonstrate?

Deputy Murphy and his colleagues are right when they say that people have a right to protest. Deputy Higgins let the cat out of the bag, as reported in this morning's newspapers, when he said it has nothing to do with the affordability of water or the charges. Deputy Murphy said on the radio that even if it was 1 cent per family per year he would still demonstrate against it. That is fine, but the ground is now clear in respect of the debate. It is now about whether we have water charges. It is not about the affordability question because that has been dealt with.

**Deputy Ruth Coppinger:** Exactly.

**Deputy Alex White:** It is not about the certainty of the charges in future that many people were concerned about because that has been dealt with.

**Deputy Ruth Coppinger:** Exactly.

**Deputy Alex White:** It is about the question of whether there should be water charges. I hear Deputy Coppinger saying "exactly". We have a clear division and a clear distinction between how people approach the matter.

Deputy Higgins referred to snake oil salesmen yesterday. It is a little like getting his retaliation in before the accusation is made against him, because the real snake oil salesmen are sitting opposite, in my respectful opinion, particularly Deputies Higgins, Coppinger and Paul Murphy. They seem to believe we can have water for free without having any position on how it is to be funded.

**Deputy Paul Murphy:** It is not free.

**Deputy Alex White:** They seem to believe that we can have public services without taxes, that we can have investment without making provision for it and, most spectacularly for a so-called party of the left, they are opposed to property taxes. Of all the contradictions, remarkable events and statements that I have witnessed in the House in the short period I have been here, the spectacle of a socialist party opposing property taxes stands out.

**Deputy Ruth Coppinger:** What would the Labour Party have?

**Deputy Alex White:** Again and again that is their position. They are against property taxes. To me, that is not the position of a left-wing party. I am unsure how they describe themselves, but certainly it is not a left-wing or socialist position or one that I could ever identify with. Certainly it is not a position that James Connolly, who was quoted at length, could possibly identify with.

**Deputy Joe Higgins:** Tax the millionaires.

**Deputy Ruth Coppinger:** He is quoting James Connolly.

**Deputy Alex White:** Deputy Coppinger's friend was quoting James Connolly and he is still against property taxes, which is quite remarkable.

**Deputy Ruth Coppinger:** The Minister has some neck.

**Deputy Joe Higgins:** At least he did not turn his back on the people, unlike the Minister, Deputy White.

**Deputy Alex White:** Reference has been made to the plebiscite and parliament democracy. Let us consider what is democratic and what constitutes democracy. I believe protests, including street protests, are part of our democracy. No one has any right to criticise people's absolute entitlement to demonstrate on the streets. However, to suggest we are attempting to demonise people when we criticise the effective false imprisonment of a politician - it could be any citizen - in her car for a period of hours, or intimidating behaviour is outlandish. Deputy Murphy stands condemned in respect of that incident. He has failed to give any reasonable account of himself on that occasion. He has been given every opportunity on the public airwaves and in this House to do so but he has failed to do it. He cannot get himself back into the reasonableness tent, although he tried to do so in the course of his speech earlier, because he simply has no concept of what democratic engagement entails.

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

**Deputy Alex White:** This brings me to the issue of the plebiscite and a referendum. This is a parliament. With all of its flaws and drawbacks, it is a parliament in which each of us has been elected. By the way, I heard Deputy Murphy referring to people being scared and that the Government was scared. I put it to him that no matter what he does or says I am not scared. The worst thing that can happen to a democratic politician in a democracy is that he loses his seat.

**Deputy Paul Murphy:** Does that scare someone?

**Deputy Alex White:** So be it.

**Deputy Joe Higgins:** That is very scary.

**Deputy Alex White:** I believe Deputy Murphy is engaged in the language of trying to ensure someone is scared.

*6 o'clock*

To try to introduce a level of fear and intimidation into a protest and then talk about Government Members being scared is despicable.

**Deputy Joe Higgins:** Get off the stage. Deputy White may have abandoned Trotskyism-----

**Deputy Alex White:** Deputy Joe Higgins - who, in fairness, I have never witnessed in a similar situation over 30 years - now finds himself having to defend and support Deputy Paul Murphy.

Why would we not include in legislation a provision to give people comfort in relation to privatisation, even though there is not a single Member of the House who supports privatisation, apparently?

*Interruptions.*

**Deputy Alex White:** Why would we not accept that the Irish people understand that a provision in legislation which is effectively a lock on any change in relation to Irish Water would be effective? It would be extremely effective. For people to say it lacks impact, effect or legality is wrong. While it is a new approach to have ministerial decisions contingent on the people's choice, what is wrong with that? Is it not democracy?

**Deputy Paul Murphy:** Could it be repealed?

**Deputy Alex White:** Is it not a democratic act? If the Members opposite do not trust Parliament, they think that legislation is akin to a promise. They put the two things on the same level.

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

**Deputy Alex White:** They reduce legislation passed solemnly in the House to the idea of a promise. Their notion of democracy and democratic activity is a strange one. However, the Members opposite make one or two points with which no one could disagree. At one point Deputy Murphy said - he might not have intended to say it - that there is no free money. Indeed there is not; nor is there any possibility of funding public services without a taxation system - yes, a progressive taxation system, as we have, by the way, in our income tax system - but including property taxes and, where appropriate, utility charges.

**Deputy Joe Higgins:** No. Tax the millionaires and billionaires.

**Deputy Alex White:** That is the sort of economy, democracy and society we should build.

**Deputy Joe Higgins:** Tax the tax exiles and millionaires. Tax wealth, not the poor.

**Deputy Martin Heydon:** I welcome this week's announcements about Irish Water. In a recent interview on local radio in Kildare, I stated there were a number of different aspects to the water situation as it currently stands. I believe fundamentally in the need to establish Irish Water and have felt that the charges had to be fair, transparent and affordable overall. Any suggestion of a bonus culture within Irish Water had to be nipped in the bud if people were to gain any trust in it. I am happy that we have seen all those issues addressed this week.

On the need for Irish Water, I have not heard anybody on the other side of the House who opposes water charges say why we should stick with a system under which more than 30 local authorities were acting independently and trying to do their own thing. We do not have a good infrastructure, which shows that the system has not worked as well as it could have. We need a single utility to drive this on. If we look at the economies of scale that Irish Water is going to get in the project at Ringsend, I can only imagine the economies of scale there will be with projects like the Newbridge interceptor, which is crucial to the future development of business, industrial and residential premises within the Newbridge area. To have more than 30 local authorities going around with their own procurement systems is not an efficient way to do business. Within south Kildare, I have heard about estates from Newbridge to Kildare town and Castledermot to Rathangan that have raw sewage flowing out on their greens, footpaths, streets and areas where children play. That is not acceptable to me in 21st century Ireland. In the area of Athgarvan, some residents have been subjected to foul odours from an old and antiquated sewerage system. In recent correspondence with Irish Water, it was outlined to me what the various steps to be taken were, including the decommissioning of the old plant and construction in quarter 1 of 2015 of a new system that will take those odours away. That is a very real and substantial change that is happening because Irish Water exists. It will have a very positive impact on people's lives.

The argument has been made that we pay for water already. Businesses, farmers and private group schemes have paid for water for many years. Irish Water introduces equity so that the cost is shared. Water and wastewater infrastructure has not been able to compete under the old structure. It was competing with roads and school projects under the general taxation model, and that has failed. The roll-out of meters has already highlighted many leaks and will continue to do so. I know of a very progressive local group water scheme in south Kildare. A number of years ago it installed meters, as usage was quite high and it sought to bring down costs. Before Irish Water was ever mentioned and we found ourselves in our present situation, that group water scheme introduced meters and discovered the key locations where a great deal of water was being lost. It was the right thing to do, as it is right to install meters now.

On the issue of affordability, I welcome the easy-pay option. If a household cannot afford the €40 per quarter, or €15 per quarter for a single individual, there are options for easier payment. At a maximum cost of €3 per week or €1.15 for single households, there is still the possibility of reducing that further. If households reduce usage by 10% to 15%, they will beat the cap and get the lower rate.

**Deputy Peadar Tóibín:** If they emigrate.

**Deputy Martin Heydon:** I will not be lectured by Sinn Féin, which charges for water in Northern Ireland and whose Members speak out of both sides of their mouths.

**Deputy Dessie Ellis:** We do not.

**Deputy Alex White:** It is on the way, Dessie.

**Deputy Peadar Tóibín:** How have you not educated yourselves?

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

**Deputy Martin Heydon:** Certainty in pricing for four years and the extra measures that greatly restrict future Governments' handling of the utility and the pricing structure are wel-

come. The requirement for PPS numbers was something that raised concern, and that has now been dealt with. The public ownership issue has been dealt with: any future Government would have to hold a referendum or change legislation in a way that I do not see any Government doing. It will be the will of the people as to whom they elect here in future.

People have had various reasons for opposing water charges and protesting. There are some people on the other side of the House who represent people around the country, my own constituency included, who are fundamentally opposed to paying for water. I am not one of them. We need Irish Water and should have a water charging regime. As the economy improves, we will have measures to reduce our income tax and to make life easier for people as we get more of them back to work and the burden of unemployment is lifted. As the economy improves, we should still have a progressive tax system that includes property tax and water charges as its basis. I commend the motion to the House.

**Deputy Brendan Smith:** There is one certainty in the subject matter of this debate and that is that Irish Water has lost the confidence of the public. Deputy Fergus O'Dowd, who as then Minister of State pioneered the legislation in the House almost 12 months ago, has termed the establishment of Irish Water an unmitigated disaster. Any major public utility must have the confidence of the public, its customers and consumers to do its job properly and provide the service it has been established to provide. Such confidence is absolutely essential, but it is lacking with regard to Irish Water.

It has been almost 12 months since the Government rammed the Water Services Act through the House. Ministers continually refer to the mammoth task of establishing Irish Water, yet they were prepared to give the House less than three hours to debate the necessary legislative measures. At that time, the Government and its constituent parties flatly refused to accept the idea of an ability-to-pay clause or that the Irish Water model would be much too big and cumbersome and would end up saddling the taxpayer with substantial expenditure on which there would be no direct return to consumers and customers. Why could there not have been a proper and adequate debate more than 12 months ago in relation to this major change of policy, particularly when service level agreements were being put in place with local authorities to enable them to deliver the service and carry out the infrastructure works for the following two decades?

Earlier this year there was an announcement by the Government, with great fanfare, that the Commission for Energy Regulation would set the charges. What are its responsibilities today? What message was sent out to young, qualified people who are unfortunately unemployed when they learned that people who had retired from the public service were being recruited by Irish Water on large remuneration? In many instances, the recruits brought their gratuities with them. Week after week, legitimate questions were asked in the House, but the answers were far from adequate. Over a period of time, how many different responses were given to the same questions?

The Tánaiste acknowledged this morning in the House that there was substantial investment by the Fianna Fáil party in government - in excess of €5 billion - in the water services programme in the decade prior to the Government's taking office. A vast amount of new infrastructure was put in place and existing infrastructure upgraded. Our water system needs ongoing investment and maintenance and new infrastructure to replace that which is outdated.

Government Members have made some erroneous comments over the past few days. It was incorrectly suggested that public water supplies never transcended county boundaries.

Aughawillan group water scheme in south County Leitrim supplies houses in my county, Cavan. The Castlerahan Mountnugent Munterconnacht group water scheme in County Cavan supplies houses in the Oldcastle area of County Meath. Not alone do services cross county boundaries, but they also cross jurisdiction boundaries. There is a link between Cavan County Council and Fermanagh District Council in the provision of water to the villages of Belcoo and Blacklion, which receive water from the same sources. The group water schemes, in which there was major investment from 1997 to the late 2000s, have been an example of great partnership between local communities, local authorities and the National Federation of Group Water Schemes, which the then Minister, Noel Dempsey, established. My county, which is a rural county with a small population, received investment of €160 million in less than a decade. It was a huge investment in upgrading the water infrastructure and providing new infrastructure, and I am very glad that every inch of County Cavan is covered by group water schemes. It is similar in County Monaghan, where the local communities worked in partnership with the councils, the National Federation of Group Water Schemes and many enlightened officials in the Department of the Environment, Community and Local Government. They worked together, group water schemes were merged and there was a fabulous level of investment in upgrading or extending and providing new group water schemes. The model could have been built upon to ensure we did not establish a quango with much cost and no return to the Exchequer. Given that 99.999% of houses have a running water supply, it was laughable to hear the Tánaiste say the project of establishing Irish Water had been the largest since rural electrification. We need continued investment in the water system and upgrading to build on the progress that has been achieved. Much more progress is needed to ensure all our citizens have access to a proper supply of high-quality water.

**Deputy Charlie McConalogue:** I oppose the motion before the House and the Government's approach to water policy - both the previous approach and the one it is trying to sell now, which is a mishmash, cobbled together to get the Government out of this political mire rather than making sense from a strategic point of view or from the point of view of improving water services. The Government has consistently tried to pin the blame for introducing water charges on the troika. The troika has been gone for almost a year, and this is the Government's call. From the Minister's approach and the call he has made, we have learned that, unfortunately, the Government and its Ministers have learned very little from the past. Instead of trying to establish an organisational structure that would see the introduction of a proper water service, the Minister established a new quango and invested up to €160 million in consultancy fees, despite having said he was giving the contract to Bord Gáis because it already had the expertise. The Minister took in outside "expertise" to do a job we would have expected Bord Gáis to have been able to do. The Minister also introduced a bonus culture in Irish Water which was going to result in the payment of bonuses even in cases in which the staff were not doing the job as well as would have been expected.

The Government is trying to cover up the fact that the idea went back to a 2009 Fine Gael document and NewERA, which showed that at all stages Fine Gael had intended to introduce this when it got into government. But for the fact that the public did not accept it and it did not wash, the Government would be doing it. Hence the cobbled together arrangement that was announced yesterday. To try to retrieve the situation, instead of the type of charges the Government was to introduce before, whereby a household of four adults would pay just under €500 regardless of income, the Government will give €100 back to every household, regardless of income. Unfortunately, this is no longer about the water but saving seats. This is the dynamic which ties together this irrational, illogical and ill thought-out proposal.



This morning on the radio, the chief executive of Ervia, Mr. Mike McNicholas, explained the new financing structure. He indicated that €271 million would be collected in domestic water charges instead of the previously estimated €300 million. However, there will not be, by any stretch of the imagination, a 100% collection rate. Even on the basis that Irish Water gets €200 million per year, and taking into account that the Government will give back more than €100 million to the public via the cheque for €100 it will post to every household, the net income is likely to be approximately €100 million per year. This figure will be net of the €650 million the Government spent between consultancy fees for Irish Water and the €500 million it will have spent to install water meters which will no longer achieve their objectives of conservation.

Conservation is out the window. Under the Government's proposal there will be little incentive for people to conserve water. This morning, Mr. McNicholas indicated that it would take 15 years to pay back the cost of the meters on the basis that leaks would be fixed. In the meantime, the Government will pay €20 million per year in interest rates for it. It is time for the Government to suspend the approach it has taken, to admit it has been a mess and a disaster, to go back to the drawing board and return with a structure that will prioritise the public and developing a proper water infrastructure, instead of the politics of the Government.

**Deputy Robert Troy:** I thank my colleagues for sharing time with me. It was a rush to get back from another engagement, but because of this morning's shenanigans we will run out of time and I will not have the opportunity to speak later. I wanted an opportunity to put on record my grave reservations about the manner in which the Government is handling what it described as a monumental change in the delivery of an important utility to our citizens. Although after 14 years in government, some of our previous Ministers were criticised for being arrogant and out of touch, the arrogance of this Government and the extent to which it is out of touch with what the people are thinking is beyond belief. This morning on "Morning Ireland" the Minister, Deputy Kelly, said most of the changes would come about regardless of the protest, and that he did not believe in some of the proposals made before the protests.

Does the Government take the people of Ireland to be fools? Be under no illusion, the only reason there were monumental U-turns and changes was because the people of Ireland spoke, and did so in considerable numbers. The protests did not consist of the normal doom-and-gloom merchants and people who would be out protesting regardless of what banner was being lifted in the air. They comprised, for the main part, ordinary, decent, hardworking people who came to say they have had enough and can take no more. When the Government considered the U-turns and changing tack, it should have done things right. It should have abolished Irish Water, a conception of Fine Gael, supported by the Labour Party. It is an over-bloated quango which is bonus-driven, which was supported willingly by the backbenchers who voted for it.

It is amazing to hear Ministers say that they always felt there needed to be change. We did not hear a peep from Ministers, Ministers of State or Government backbenchers. I did not see any of my constituency colleagues standing in solidarity with the people of Mullingar or Athlone. I tabled parliamentary questions five weeks ago, prior to the protests, and in response the Minister, Deputy Alan Kelly, said PPS numbers were a necessity. Why are they no longer a necessity?

I welcome that people will pay less because they cannot pay any more. They are put to the pin of their collar. Ordinary, decent, hard-working people are paying high mortgages and child care rates, another issue the Government has ignored for three and a half years. What has it done? It has introduced a system which is totally inequitable and unfair. Do the three

Government Members in the House think it is fair that someone like Mr. Tierney, the CEO of Irish Water who earns €200,000 per annum and received a large handshake from his previous employment, pays the exact same as someone in receipt of a non-contributory old age pension of €220 a week? Where is the fairness and equity there? There is none. Where is the Labour Party, a party which has always espoused that it would fight for fairness and equity?

On global warming and water being a scare resource, there is no incentive for people to conserve water. The concept, reason and rationale for introducing meters were to ensure water would be conserved. People will not conserve water, which is a major mistake. Irish Water is a brainchild of the Government. It has spent €180 million on its creation, €500 million on the installation of meters and countless more millions on other things. In return, we will get less than €100 million a year. The Government should abolish Irish Water, suspend the introduction of charges, fix the leaks, make sure everybody has proper, safe drinking water in their taps and re-examine the situation in a few years' time.

**An Leas-Cheann Comhairle:** The Minister of State, Deputy Gerald Nash, is sharing time with Deputy Frank Feighan.

**Minister of State at the Department of Jobs, Enterprise and Innovation (Deputy Gerald Nash):** No matter what one does in life, when one gets something wrong one should put one's hands up, admit a mistake was made and correct it when possible. After listening to Deputy Troy, nobody on this side of the House, in particular those in the Labour Party, will take any lectures from him or his party, a party that, in effect, bankrupted the country.

**Deputy Charlie McConalogue:** The Minister of State cannot give lectures.

**Deputy Gerald Nash:** Over the years Fianna Fáil has perfected the art of arrogance. We have seen here that very few lessons have been learned. It should take a very sharp look at its very recent history and the lack of humility and any sense of apology for the serious mistakes which were made on the route to bankrupting this country. I ask Deputy Troy and his colleagues to reflect on that before they make those kind of statements in the House again.

Fianna Fáil was the party which would have imposed water charges of at least €400 per household on the people of this country. The Deputies opposite should take a step back before they start speaking about the fairness or otherwise of the new charging regime we introduced yesterday.

**Deputy Robert Troy:** The Minister of State's party voted to turn the water off and keep the bonuses.

**Deputy Gerald Nash:** As a Government we have accepted that mistakes were made in setting up this major public utility. The timeline involved was very ambitious and any public utility of this magnitude would require a seven-year to ten-year lead-in period. We wanted to do it over three years and found it very difficult to do so. We have put our hands up and the Minister, Deputy Alan Kelly, has admitted that mistakes were made. He has put on the record of the House the way in which we are addressing the serious concerns raised.

We are listening. The people we serve have spoken out in large numbers in recent times about the problems they have with Irish Water. We have heard them and are acting. The people who elect us have said they could not afford the charges for water previously referenced. We now have an affordable and capped charge. As many of my colleagues on this side of the House

have said, which is worth repeating, the maximum any household who registers with Irish Water will pay will be €3 a week, or €1.17 a week for single people, until 2019. Households who manage their consumption and conserve water will be able to lower the charge even further. The chief executive of Ervia, the parent company of Irish Water, said this morning that about 35% of customers could beat the cap, even at this stage, with their current levels of consumption.

Not only will this project save consumers money, it is also a powerful conservation tool to help us save what is a precious and vital resource. I am pleased that the water conservation grant of €100 per year will be available to all households who register with Irish Water, including those on group water schemes. This measure is fair and will allow people who have been paying for their water for years to avail of the same grants as everybody else. The new capped charges are, objectively, affordable and give certainty to households. We all now know that the maximum we will pay for water until the beginning of 2019 will be €3 a week for houses with two or more adults or €1.15 for single adult households.

Many families in the country, and in my constituency, are still struggling to meet day-to-day costs, pay mortgages, heating bills, rent and electricity bills and to put food on the table and books in their children's schoolbags. Family budgeting is a major part of ensuring they have enough to stretch to the end of every month. Now we have certainty on the costs for the next four years, which is important for larger households or those with higher water usage due to certain medical needs. We should also bear in mind the changes made in budget 2015 by the Minister, Deputy Noonan, the Minister, Deputy Howlin, and the Tánaiste, Deputy Burton. I appreciate that it may be difficult for families to take into account something they may not yet have felt in their pockets, but these changes will begin shortly and will mean that all Irish families will be better off next year.

We will shortly see the part restoration of the Christmas bonus for those on long-term social welfare payments. Child benefit will increase by €5 per child in January. Thousands more people will be exempt from the universal social charge and those on the higher rate of tax will see a 1% cut. It should be remembered that the higher rate of tax kicks in at a relatively low rate, just over €30,000, people who are not objectively wealthy by any stretch of the imagination. Even when charges take effect, Irish families will be better off than they were last year. A single worker on average earnings is due to gain almost €8 per week as a result of budget changes.

There are now only two capped charges for primary residences. Irish Water will now seek far less information from households on registration and has made it clear, as did the Minister yesterday, that PPS numbers will no longer be required. If people have already provided their PPS details, that data will be deleted in a process agreed in consultation with the Office of the Data Protection Commissioner. I should point out that there are easy ways to pay for water, through a wide range of options including at post offices and at retail outlets with a PayPoint or Payzone sign. This will allow people pay by instalments and ensure they can budget to meet their bills. It is shocking that up to 50% of our treated water is currently leaking away. The only way we can find out which supplies to houses are leaking is through water meters. Metering helps us to understand how we consume water and will allow us to plan for the future.

I want to address the issue of the protests that are preventing workers tasked with installing water meters from doing their jobs. I respect the right of every citizen in this republic to protest, but much like the scenes that disturbed so many of us last Saturday when the Tánaiste was effectively held hostage in her car and when many other peaceful people associated with

the An Cosán centre endured despicable taunts and threats, some of the protests against workers installing meters across this country have crossed the line. Workers who are trying to earn a living are being prevented from doing their work by small numbers of extremely hostile protesters. This is not how democracy should work. I call on all of those involved in the anti Irish Water campaign, the politicians on the hard left on the other side of the House who have left the Chamber in the past few minutes and on genuine trade unionists to condemn these anti-worker protests. If they have any leadership capacity whatsoever, they should call a halt to any protest which prevents working people from doing their jobs.

I find it interesting that these self same politicians have had little to say about my or the Labour Party agenda on the dignity of work issue or on examining issues relating to low pay, to zero hour contracts and precarious working conditions. They are too busy using their megaphones than to show genuine care for workers' rights or what really matters to working people, such as job creation, economic development, social progress and genuine fairness. They are utterly silent on these key issues, but we will see again the grand old duke of York syndrome consume these people. They will march people up to the top of the hill and then do what they have always done - leave them there exposed and alone.

It is worth noting that Sinn Féin's supposed victory on preventing water charges north of the Border rings hollow. The Sinn Féin website acknowledges that Northern Ireland Water has sent out letters to Belfast residents requesting information and informing them that they will receive a bill for water. That statement was recorded on Sinn Féin's website on 6 November.

**Deputy Dessie Ellis:** There are no water charges and the Minister of State knows that. He is misleading the people.

**Deputy Gerald Nash:** That information comes from an MLA member and long-standing MP. If people doubt the veracity of what I say, they should check that information.

**Deputy Peadar Tóibín:** The Minister of State should ask the 1.6 million people in Northern Ireland whether they are paying water charges.

**Deputy Gerald Nash:** It is a load of nonsense that Sinn Féin continues to insist there are no water charges in Northern Ireland. There are.

**Deputy Peadar Tóibín:** Show me one person who pays a charge.

**Deputy Gerald Nash:** This is paid through the massive household tax in Northern Ireland, but it is inevitable that because of the introduction of tens of thousands of water meters in Northern Ireland, we will see direct charging for water there soon. The charges there have been only postponed until 2016, until the general elections in Northern Ireland and here are over.

**Deputy Dessie Ellis:** The Minister of State is now acknowledging this is the case. He is contradicting himself.

**Deputy Gerald Nash:** It is also claimed north of the Border that staff working on the maintenance of the water network are receiving threats from armed gangs over the issue. Sinn Féin wants assurances that those workers will be protected, yet they are strangely silent on the intimidation and threats and sometimes physical violence faced by workers contracted to Irish Water here. Once again, we see one stance in this republic and another stance north of the Border.

I believe we now have an affordable, certain and simple package of charges for Irish Water.

20 November 2014

While I acknowledge Irish Water has yet to win the confidence of the people, we now have an opportunity for Irish Water to be given a fresh start as it undertakes the vital job of ensuring a world class water supply and treatment capability for our businesses and citizens, not just for today but for tomorrow and for years to come.

**Deputy Frank Feighan:** I believe the Government did get it wrong on this difficult issue, but it listened to people's genuine concerns and I congratulate it and, in particular, the Minister for the Environment, Community and Local Government, Deputy Alan Kelly, on taking on board those concerns.

I grew up in Boyle, County Roscommon, where there are 24 different local authority groups delivering water services. We were told over the years how good and professional these services were, but obviously they were not. In my town we had what we called "hard" water due to limescale in the water. When people complained about the water, the local engineer would tell one of the workers to throw another few shovelfuls of fluoride into the water system. This took the bad taste out of the water, but I do not believe it was good for people and it corroded the pipes. We tolerated this *ad hoc* approach, but it did not work.

In County Roscommon, almost 20,000 out of 50,000 people have had a boil water notice for years. This has been going on for 12 years in some areas and for four years in others. This time last year, the Minister came to Roscommon and announced €60 million as part of a major programme of works, which saw the construction of five water treatment plants across County Roscommon. However, this went unnoticed here although it was reported on RTE, in the papers and on local radio stations. Six weeks afterwards, a Deputy from my county pulled a "dirty water" stunt here in the Dáil, and everybody remembers that.

I repeat for the record that €60 million was allocated to alleviate the disgraceful water problems that had continued for 12 years in Roscommon. Thankfully, the new treatment plants will be up and running in the next two or three weeks and businesses and homeowners will no longer face boil water notices. This is an issue I have been able to address in this House and the Government has dealt with the issue. However this is forgotten about when the cheap political stunts we have seen recently have been going on.

People were annoyed when they heard of the bonuses being paid to Irish Water staff and were annoyed by the lack of clarification on the provision of water services and we saw protest marches as a result. Many decent, honest and honourable people took part in these protests because they were fearful of what was to happen. The Government took their fears into account. However, some people have never paid for water, have no intention of paying for water and have no intention of paying for anything. Their one aim is to destabilise the State. I believe that unless something happens, the country will go down that road.

I got involved in politics because I felt I could make a difference, but until then I had no involvement in politics. What happened to the Tánaiste last week must be condemned and deplored.

**Deputy Peadar Tóibín:** Elbows Feighan cannot-----

**An Ceann Comhairle:** I ask the Deputy to keep quiet. He will have his turn next.

**Deputy Frank Feighan:** Everybody grows up with and is entitled to his or her good name. However, my good name and the good names of many other politicians are being taken from

us. A friend of mine who is a lecturer in history in one of the two great universities in Britain, not Hull, has stated that a political system nowadays simply cannot meet the demands of an electorate. Eventually, the electorate will look for a strong leader. In the 1930s the people got a strong leader, because he told them what they wanted to hear. All I am saying is this is a democratic republic, but it is a race to the bottom on the part of people who will do their best to undermine the State.

There is now a beautiful building at Roscommon County Hospital. Everyone said it would close and that people would die, but, instead, they are much safer. I invite any Deputy, Senator or member of RTE to come to have a look at the lovely new building, the first of three projects worth €20 million. However, nobody there will say they got it wrong. We got it wrong and will admit that we got it wrong. I hope we will now get it right.

**An Ceann Comhairle:** Deputy Seán Crowe is sharing time with Deputies Peadar Tóibín and Dessie Ellis.

**Deputy Seán Crowe:** It is clear that the Government has lost the trust of many people. The people are saying they do not believe Irish Water will not be privatised, that they do not believe this is about conservation or the upgrading of water infrastructure and that they are certainly not fooled by the Government's offer outlined in the motion. They are not fooled by the attempt to lure them with the bargain rhetoric - "when they're gone, they're gone; buy now, pay later." Unfortunately, "pay a lot more later" is what it usually means. They are saying they feel let down. That was the response we were getting on the doorsteps in the recent by-election in Dublin South-West. People were saying they were angry, rightly so. They see this as unfair and unjust, as a double tax on households and that they have not experienced the so-called recovery. If the Minister for the Environment, Community and Local Government, Deputy Alan Kelly, had listened to what people were saying, he would know that they are not seeing the recovery in their own lives.

The Taoiseach has said he expects people to move on following his bargain offer. I genuinely doubt that is going to happen. Controversy has followed controversy and confusion has been followed by confused responses. I will give an example to the House. Under the new changes, a young working adult living alone will have his or her annual water charge capped at €60, as the Minister told us. However, we then have the strange situation where two senior citizens living together will have to pay €160, which works out at €20 more per person. The question many in that situation will be asking is: "Why?" If this debate is about providing clarity and clearing up the confusion, perhaps one of the Ministers might come back with an answer.

The Minister also announced that he would be introducing legislation to allow landlords to deduct water charges from a tenant's deposit. Giving legislative power to landlords to act as debt collectors is a very dangerous development. Private landlords should not be involved in the collection of water taxes for Irish Water. What will happen next? Unscrupulous landlords will up deposits, putting them beyond the reach of many. In the midst of one of the worst housing crises the State has seen and a huge increase in homelessness, the Government is turning to private landlords to collect water taxes.

Will the Minister comment on a memo sent by the Department of the Environment, Community and Local Government to all local authority housing managers yesterday, allegedly telling them they were required by law to recover amounts owed to Irish Water in unpaid bills by council tenants and forward outstanding payments to Irish Water? Is this part of the new

legislation being drawn up by Government? Again, it is a legitimate question. Will this involve possible rent increases, which, if left unpaid for extended periods, could put a householder's tenancy in jeopardy? As we know, any council tenants are already in arrears and this will push them deeper and deeper into debt. Perhaps this is a red herring, but, again, these are the confused messages and people are genuinely concerned about what is possibly coming down the road. As the debate is about providing clarity, perhaps someone might provide some clarity on this issue. Clearly, the Minister wants the local authorities to do the Government's dirty work. This is totally unacceptable and will be resisted by organisations right across the State.

Many of us have spent the week in the Chamber pointing to the continued problems with Irish Water, but, again, people are asking whether the Government is listening. I do not know if it is. The Minister walked out yesterday after making his speech, joined by the Taoiseach and the Tánaiste. Where they went and whether they were out spinning yarns, we do not know, but they eventually came back into the Chamber. Again, this is part of the confused steps we have seen surrounding Irish Water. No other Government can be blamed, nor the troika. The leaderships of both parties are to blame for this mess. The Government will hear the message loud and clear on 10 December. I hope it is listening and that it has some answers.

**Deputy Peadar Tóibín:** It is hypocritical for Deputy Elbows Feighan to talk about how the Tánaiste was treated when he floored a political opponent in the Roscommon by-election not so long ago.

**Deputy Sean Sherlock:** Hold on one second.

**Deputy Peadar Tóibín:** The Labour Party is in disarray.

**Deputy Sean Sherlock:** The Deputy has to be a little respectful about Members of the House. He referred to a Member of the House, with all due respect.

**Deputy Peadar Tóibín:** Protestations that the Minister, Deputy Alan Kelly's announcement yesterday-----

**An Ceann Comhairle:** I am sorry, Deputy, but I have just been told that you passed a remark about Deputy Frank Feighan.

**Deputy Peadar Tóibín:** I did.

**Deputy Sean Sherlock:** The Deputy cannot be allowed to get away with that disrespectful tone. Deputy Frank Feighan is not even here.

**An Ceann Comhairle:** Will Deputy Peadar Tóibín, please, withdraw the remark? It is unparliamentary.

**Deputy Peadar Tóibín:** The Deputy and the others passed comment on Deputy Paul Murphy.

**An Ceann Comhairle:** The Deputy is not allowed to use unparliamentary language in the Chamber. I am asking him to withdraw it.

**Deputy Peadar Tóibín:** No, I will not withdraw it.

**An Ceann Comhairle:** Then I will have to ask the Deputy to leave the Chamber.

**Deputy Peadar Tóibín:** A Cheann Comhairle-----

**An Ceann Comhairle:** I am asking the Deputy to withdraw an unparliamentary remark he made about another Member.

**Deputy Peadar Tóibín:** What was unparliamentary about it?

**An Ceann Comhairle:** The Deputy knows what he said. I am not going to repeat it.

**Deputy Peadar Tóibín:** All I said was what everybody who had watched the 9 o'clock news that day-----

**An Ceann Comhairle:** It is on the record of the House for everybody to see.

**Deputy Peadar Tóibín:** The fact is that what happened is in the record of the 9 o'clock news on RTE.

**An Ceann Comhairle:** If somebody was to pass the same remark about the Deputy, I would ask them to withdraw it, equally.

**Deputy Peadar Tóibín:** The same remarks have been passed about Deputy Paul Murphy.

**An Ceann Comhairle:** I was not here when any remark was passed. I am here now and do not tolerate remarks about other Deputies. I am asking the Deputy, in the interests of good order, to, please, withdraw his remark about Deputy Frank Feighan.

**Deputy Peadar Tóibín:** In the interests of good order, I withdraw the remark.

**An Ceann Comhairle:** Thank you, Deputy.

**Deputy Peadar Tóibín:** The Labour Party is in disarray. We have protestations that the Minister, Deputy Alan Kelly's announcement yesterday was not a political row-back, but this is absurd. This is not about saving water but about saving the political skin of the Labour Party as it lurches to the right economically. This temporary €100 rebate is little more than a sop to fit within the narrow confines of the EUROSTAT rules. These rules are governed by EU policy objectives which are the commodification and privatisation of water infrastructure.

Water is a public good. It is necessary for life itself. It cannot be a commodity. It is critical that this issue be understood by the Government and that this commodification be understood in that context. Only last month we had the European Economic and Social Committee's call on the European Commission to come forward with legislative proposals to honour the right to water European citizens' initiative. Since 2010 the United Nations General Assembly has explicitly recognised access to water as a human right and the Human Rights Council has done the same. Employers, trade unions and a diverse range of organisations have come out in support on this issue, yet we have European institutions still trying to commodify this product. We ask why the Government is following their objectives. Who is it actually working for when it does this?

We know that the long-term impacts of the bailout are biting down on communities across Ireland. It is astounding that Labour Party Deputies, in particular, are so divorced from the real experience of people in this society. Citizens are being burned by the bully boy tactics of the ECB and the European Commission. The ECB played a central role in the banking crisis, yet when Mario Draghi was asked whether representatives of the ECB would appear at the banking



inquiry, he refused to say if they would. There was not even a whimper from the Government to complain about this. The Irish people make up 1% of the EU population. We took the burden of over 40% of the banking crisis. The way it was paid for here was very different - an outlier in comparison to other European countries and the way they paid for it. People understand the fundamentals of all of this. They understand that when the Government pushes for water charges, what it is doing is pushing for the payment of these banking bailouts. Right now, the budget allows for €1.65 billion to be paid on bank debt servicing - the interest on the bank debt. Imagine the amount of water infrastructure that would be built in that regard.

UNICEF recently issued a report card which said that this country under the Minister of State has seen the largest increase in child poverty in the EU and the highest rate of underemployment. We are now ranked second highest percentage-wise in respect of low-paying jobs in the OECD. This is an example of the toxic legacy that is being left by the Labour Party.

**Deputy Dessie Ellis:** We have this week seen one of the greatest U-turns by a Government in this history of the State. People power has effectively stopped the Government in its tracks. It shows that people power does work even though the Government turned a deaf ear to the real message people are sending out that water charges should be confined to the dustbin of history and possibly this Government with it. It still has not occurred to the Government that people will not pay twice for something that is a basic human right. Hundreds of thousands of people have marched and tens of thousands will join them in the coming months until this tax is removed from the agenda.

The Government's proposals contain the ludicrous provision that a single person would pay €60 on a yearly basis with potentially €100 as a supposed conservation grant until 2018 while a couple will pay €160 per year less that grant of potentially €100. This means that couples, some of whom are senior citizens living week to week, will pay more than double the amount paid by a single person - €40 extra. It does not make sense. Where is the fairness in that? Ability to pay is not considered in this model. There is no logic and there is certainly no attempt really to encourage conservation.

People on rent supplement who are struggling to keep their homes due to the Government's caps and cuts and the rises in rent caused by the Government's failure to build homes will find that their landlords can now take their bills from their deposits. Does the Minister of State not see how dangerous this is? These families cannot afford to live in any comfort and fear the loss of their homes. If they do lose their homes, they are in a very difficult place in respect of finding new accommodation. The Minister will now put in place legislation to take the life-line of their deposits off them. Is the Government mad or has it lost the plot? This policy will actively increase homelessness. The idea of putting deposits on the table to pay water charges is an attack on both tenants and landlords who do not want to engage in tax collecting. The Irish Property Owners' Association has said that it will not do the work of Irish Water. Has the association even been consulted? Security deposits are not there to pay these bills. They are there to pay for damage to a dwelling which is beyond ordinary wear and tear. Landlords want that money to pay for any such damage. They do not want to have to take money out of this important fund to pay water charges and that is reasonable. Tenants need that money because it is essential in helping them in any move from one home to another. One of the major issues bodies like Threshold deal with is that of disputes over deposits. If a tenant is seeking to move to another home, they need to pay a deposit on that, which is very costly. If they expect to have their entire deposit returned as they have taken care of their rented home, they will be planning to use it to keep the wolf from the door during those financially difficult first few weeks of a

move. Equally, a landlord who needs to repair a dwelling will rightfully want to use that deposit which is now supposed to pay for water charges. This will be a huge mess for the Government. It is an arrogant, spiteful and foolish scare tactic that will fail.

The Government wants to try the same tactic with local authorities in respect of their tenants. This policy is an attack on the most vulnerable tenants in the country - those on rent supplement. Many of this group are unemployed, are elderly or have disabilities or small children and have been hit hard over the lifetime of this Government. They are people on whom the Minister for Social Protection has visited quite a bitter terror over the past three years - far more than was visited upon her in recent times. If these tenants end up homeless due to this policy, and some will, they will face the possibility of having to stay in hostels and hotels separated from their families, their life and even their work. They will have to travel across the towns and cities of our country to deliver their children to schools and wait around for them to be let out with nowhere to go until they can return to the often insecure lodgings, lock the door behind them and be stuck in a small room with no kitchen, comfort or hope.

On 10 December, the people will show the Government what they think of its attempt at appeasement and bribery. They will not be fooled. Their message remains the same and will remain the same until the Government truly hears it - no water charges and no privatisation.

**An Ceann Comhairle:** I call Deputies Jim Daly, Helen McEntee and Peter Fitzpatrick in that order. The Deputies have five minutes each.

**Deputy Jim Daly:** I wish to put on record that I support the introduction of water charges. I campaigned back in 2011 for a mandate from the people to be elected and in that manifesto with which my party went to the people, we stated we would introduce water charges if elected to Government. I am certainly not in favour of rowing back on that commitment because I believe it is the right thing to do. I believe the vast majority of the people I represent believe that water charges are just and necessary in any modern society and that there is nothing so unique about Ireland that we could continue in fantasy land as the only country in the OECD that does not charge for water and yet spend €1.2 billion per year providing it to every household.

I think Irish Water is a good news story. I believe in Irish Water and I believe that it will prove itself over the test of time. This is not out of some blind allegiance or loyalty to the institution that is Irish Water or indeed the party of which I am a member, which has been involved in setting up Irish Water. This year alone, there will be a saving of €300 million in the provision of water to Irish homes. Last year, it cost €1.2 billion to provide water to every household in Ireland. This year, under Irish Water, it will cost €899 million. That is a saving of €300 million. The taxpayer - the working person - is the winner in all of this. They will not have to fund that additional figure of €300 million. I welcome that and am very grateful for it on behalf of the hard-pressed working person who is beaten to the ground paying taxes.

In addition, there are 42 areas in this State with raw sewage being pumped into their rivers. This is not acceptable in this day and age and would have continued and worsened under the old regime so drastic action was required. I look forward to the people of Roscommon drinking their water in a few short weeks after 12 years of having to boil it.

I apologise unreservedly for the communications deficit that has been there over the past weeks and months on the part of the Government of which I am a member. I think my political masters let us all down when they failed to communicate with the people at the level the people

required and deserved. It was not just a communications deficit on the part of the political system. In tandem with that, the people at the head of Irish Water should have come out and done a better job in communicating the facts. In that vacuum, the media and several fringe elements created hysteria and many untruths such as the argument that people will pay twice for water. People will not be paying twice for water. Who paid the €1.2 billion it cost to provide water to Irish homes for the past six or seven years? The troika paid it. The taxpayer is not paying twice for the provision of water. That argument is nonsense. Somebody will have to pay for it. This year, we are going to borrow €5 billion but we cannot continue to borrow money to fund the basic and most necessary services in the State.

*7 o'clock*

People need to stand up and communicate. I do not blame those who took to the streets because there was a vacuum and people were justifiably angry about the lack of information we as political leaders and those at the head of Irish Water had a moral obligation to share. We failed miserably in that regard and that is why we are in the current situation.

The political system needs to man up and recognise what is happening in Irish society. A steep divide between left and right is emerging among the people. The political system is not catching up fast enough to recognise what the people want. The public want to know the side on which we stand. The day of politicians staying safe and sitting on the fence has gone. That is driving people crazy. There is a stark left and a stark right. People want to know where we stand and who we represent. It was possible to find €100 million to satisfy the demands of that protest. Even though the charges were higher, I believe the protest was primarily the result of lack of communication and fabrication of untruths. The people I represent, who are hard-pressed taxpayers struggling with massive USC and tax bills, would have preferred that money to be invested in the fair deal scheme to eliminate the waiting list for nursing homes, which is costing the taxpayer a fortune.

**Deputy Helen McEntee:** I join other Deputies and Ministers in welcoming the announcements made by the Minister for the Environment, Community and Local Government. The past several months have been extremely frustrating for the people I represent, irrespective of whether they agree with water charges, and for me as a representative. This Government lifted the country out of the ashes and brought it back to life. We are beginning to see a recovery. The only way a country can recover is by getting people back to work and bringing money back into the system. As a Government, we have created 70,000 new and sustainable jobs since coming to power. We will have created 100,000 jobs by the end of our term and this year we saw the most positive budget in six years. Despite this, we have been speaking about water for the last two months. That is very frustrating for people.

I welcome the clarifications on how much we are going to pay, when we will have to pay, how Irish Water will operate, where its money will go and how people can lower their bills by conserving water. The issue of PPS numbers has been addressed. unless the Opposition has plans in the background, privatisation is certainly not on the agenda for Fine Gael or the Labour Party. I have spoken with a considerable number of people about these issues over the last several months. The majority are willing to pay but they want a fair and affordable system which offers a return for their investment. They want the leaks to be fixed and people taken off boil water notices. They do not want raw sewage going into our rivers. In order to fix these problems, we need to invest money. I ask Sinn Féin, the socialists, the Independent Members and Fianna Fáil, which signed us up for domestic water charges, where the money will be found.

They speak about progressive tax systems when we already have such a system in Ireland. We are spending more than €1 billion per year on a system that does not work. I am sure the Ceann Comhairle is blue in the face listening to us speak about the figures and facts but 40% of our water is going down the drain. We cannot continue to throw money away and unless we invest now it will cost more in the long run. The Minister for Finance gave the analogy of a car with a leaky fuel tank. If I fill that car with diesel tonight and find that 40% has leaked away by tomorrow morning, I will not drive the car or refill the tank without first fixing the leak. That is what we need to do.

I understand why people are feeling worried about the lack of information. That is our fault but when there is a lack of information, there is a vacuum that tends to be filled with hot air and misinformation. For clarity, charges for a single adult household will be capped at €160 and for any other type of household they will be capped at €260. After taking away the conservation grant of €100, the charges will be €60 and €160 respectively, or between €1 and €3 per week. If I purchase a bottle of water, I would not get much change out of €3 because water is not cheap to produce. Ireland will have the cheapest rates on the entire Continent. The charge is €603 in France, €340 in Spain, €792 in Germany and €646 in the UK. We are trying to make this as affordable as possible.

Everybody has the right to be heard. People's voices have been heard clearly through peaceful protests and, as public representatives, we have listened. We are owning up to our mistakes and we are trying to fix them but I do not think we should be bullied. The events in Jobstown last week and in Sligo on Monday night were disgraceful. The Tánaiste, who was democratically elected by the people of Ireland, was forced to walk through a hostile crowd and endure a water balloon being thrown at her. She must have been terrified because nobody can know what is being thrown. Any Deputy who encourages such activity should take a long, hard look at why he or she got into politics. If Deputies are going to treat people in that manner, perhaps they need to rethink things.

The Opposition wants jobs and for everything to be quicker. I learned recently that Intel, which brings considerable employment to this country, uses as much water in one day as the entire city of Kilkenny. If we want to attract business and get people back to work, we need to fix our infrastructure for companies who want to come to Ireland.

**Deputy Peter Fitzpatrick:** As a Government, we have made some difficult and unpopular decisions over the last three years but we also realise our constituents, who put us in Government, made the biggest sacrifices. They have helped us to turn the country's finances around, oversee the departure of the troika and lower the unemployment rate. Our growth figures are now the envy of Europe. When we entered Government three years ago, this country was broke and borrowing €22 billion per year. This year we will borrow €5 billion, a reduction of €17 billion or nearly 80%.

I decided to enter politics to represent Fine Gael at the last election for a number of reasons. I believed that Fine Gael could save the country from financial ruin and I wanted to make a difference for my constituency. I am proud to say this Government, along with those who put us here, brought this great country back from the brink of financial ruin and despair. The Irish people never want to go back to the boom and bust cycles of the previous Government or the fantasy economics policies of our opponents. They expect to pay for nothing and have the Government pay for everything. That is unrealistic and it demonstrates their populist policies and the fact that they will promise anything to get into power.

I am the first to admit that we have made mistakes but we have listened to the people and understand the pressures they face. Economic recovery has happened through the sacrifices made by the people. We have made water charges both affordable and simple. People now have the clarity and certainty they deserve. After the water conservation grant, water charges will be capped annually at €60 for single adult households and €160 for other households, or between €1 and €3 per week. These are the lowest charges in Europe. They highlight the affordability of water charges in Ireland and the commitment of this Government to ensuring charges are equitable and fair. I welcome that affordability will underpin all future Government policies on water charges. Legislation will be introduced to ensure the cap remains in place after 2019. We have listened to the people in this regard, and future Ministers will have the power to set caps that are acceptable to the people.

It must not be forgotten that our water system is broken and in urgent need of investment. In County Roscommon, some 21,000 people have been on boil water notices for six or seven years. The greater Dublin area is in a difficult situation, whereby over 40% of all water treated is lost through leaks in the system. A national water utility is the only realistic way to facilitate improvements to our water system. Water is a precious resource and we must do everything in our power to protect future generation. The focus on water conservation has to remain. Irish water investment programmes will stop the leaks, ensure everybody has good, clean water and that the country has the water infrastructure it needs to secure investment and a growth economy. In County Louth, investments have been made in the Cooley regional water supply scheme and further investments are planned for the Drogheda and Ardee water supply schemes, as well as the Ardee and Dundalk sewerage schemes and the Dundalk and Drogheda waste water treatment plants. Conservation is vital and metering is key to this. Meters mean that people can beat the cap and pay less for their water through conservation. Moreover, they are essential to the detection and fixing of leaks.

I welcome the Government's confirmation that Irish Water is and always will remain a publicly-owned utility. That commitment will be cemented in legislation by requiring any change in this regard to be put to the people by way of a plebiscite. Put simply, there will be no privatisation without the consent of the Irish people. Other issues that were causing genuine concern to my constituents have been likewise dealt with by the Minister. Irish Water will no longer require householders' PPS numbers and documentation already submitted with that information will be destroyed. I welcome, too, the decision that bonuses will not be paid to Irish Water staff. I urge colleagues on the other side of the House to stop scaremongering and instead present the facts to their constituents.

After years of underinvestment and neglect, we finally have a scheme that will ensure our water services are fit for purposes. It will ensure our citizens and future generations have a safe and reliable water supply. History will show that the very difficult decisions this Government has taken and the sacrifices Irish people have made were instrumental in securing our vital natural resources.

**An Ceann Comhairle:** Deputies Tom Fleming, Mattie McGrath and Peter Mathews have agreed to share time.

**Deputy Tom Fleming:** I opposed the legislation setting up Irish Water when it came before the House. In the course of that debate I proposed that appropriate funding should be first provided to upgrade the existing infrastructure, with sufficient allocations to local authorities to remedy deficient public water and wastewater systems. I further suggested that after a transi-

tion stage of perhaps five years, we might then progress to setting up a national board. In the meantime, we should have a national campaign for water conservation and to eliminate wastage, with an emphasis on getting this message across through schools and at local community level. I also argued for a grant incentive for the installation of water harvesting systems for domestic use and for businesses.

Unfortunately, the Government has had to learn the error of its ways the hard way and the mistakes that were made in establishing the new State company are not reversible at this stage or are only partially fixable, as was clear from statements in the House yesterday. Twelve months ago, the Government rammed through a Bill over which it had apparently deliberated for up to two years. In doing so, it recklessly committed itself to tens of millions of euro in expenditure. For the past month the Government has been biding its time before committing to further changes. Poor communication, we are told, was the main factor in this whole debacle. However, that cannot account for all the mistakes that were made. Several destructive errors were committed, including spending millions on consultants and hiring staff on a bonus system which, it now seems, is legally impossible to reverse. Another mistake was starting with a model of recovery of full costs from charges instead of focusing on affordability, at least for a few years. On top of all that, a complicated fees structure was set out without any study of proper usage and the public was frightened by speculation about exorbitant prices. The message was given out that families with children aged over 16 and living at home would be penalised. In addition, of course, there was the fiasco of requiring householders to provide a PPS numbers. All of this amounted to a huge turn-off for a cash-strapped public still reeling from an avalanche of austerity measures in recent years.

I hope we will have no more squandering of valuable public moneys. There is a need now to focus on repairing and upgrading the infrastructure and expending finances to address deficient pipelines and upgrade water treatment systems and sewerage treatment plants. In County Kerry, for instance, we have applied for approval for more than €30 million in funding to fix leaking water pipes. There are more than 40 villages where preliminary approval has been granted for small sewerage schemes and treatment plants and extensions to existing schemes. There is an urgent need for the Department of the Environment, Community and Local Government to address the uncertainty regarding the implementation of group water schemes in the future. Many of the existing group water schemes in Kerry were administered at local level, with Kerry County Council providing resources from public funds. Many of those schemes are now disbanded and the local committees have broken up. They are sometimes referred to as orphan schemes as they have not been taken in charge by the council. All such schemes have been left in limbo since the formation of Irish Water.

As for the charges for group water schemes, the original proposal by Irish Water was for the use of a bulk meter, with the group organisers ascertaining the payment for each household. This was a ridiculous and unworkable scheme which put the administrative onus back on people who are giving of their services voluntarily. There is an urgent need for clarity regarding registration by members of group water schemes. If they sign up, will they then become customers of Irish Water and thereby liable for charges even where the scheme is not taken over by the council? If they are paying for the water, are they also responsible for the maintenance of the scheme? The Department must address these grey areas as soon as possible.

**Deputy Mattie McGrath:** I am delighted to speak on this important issue. One might have said the Minister, Deputy Alan Kelly, was Santa Claus arriving five weeks early to the Chamber yesterday, giving away money here and there while totally undermining the whole system

that was supposed to run under Irish Water. The capped charge will be €160 for a single-adult household and €260 for a household of two adults or more until 1 January 2019. The question, however, is what will happen after that date. Who knows if I or the Minister or anybody else will be here in 2019. Nothing is written in stone. We must have clarification in that regard.

All eligible households will receive a water conservation grant of €100 per year. We all know, however, that conservation is the last priority for Uisce Éireann and the Government. It is all about a revenue stream. I am surprised Revenue has not got its hand on collection of the money, although it may do so yet. The net cost to a single-adult household will be €60, while other households will be charged more than €160. This takes no account whatsoever of ability to pay. A person on a large income will pay exactly the same as somebody earning the minimum wage or a person in receipt of unemployment benefit. How is that fair? Members on the other side of the House seem to have a different social compass from ours.

Another important issue is what happens when water is unfit for human consumption. There have been problems in this regard in my own area for 20 years. The former Minister of State, Brian Hayes, announced a water scheme 12 months ago but pen was never put to paper. Mr. Hayes is no longer here to answer my questions. He is in far-off lands at this time.

**Deputy Paul Kehoe:** He is home.

**Deputy Mattie McGrath:** That is good and I am sure it will make it a big difference. I expect he will have the sewerage scheme staff in place in the morning.

In Clonmel and other towns there have been sewerage problems for years. I salute the council workers who went out regularly to free blockages where sewers were going through people's private property. Now Irish Water will not allow those workers to go through householders' front gates. There are huge problems with public sewers running through people's gardens but council staff can no longer go in and free up the blockages. Irish Water must think householders are complete idiots.

There has been much talk about legacy. JFK liked to talk about that and so does the Minister, Deputy Kelly. Yesterday, chest puffed out, he told us his legacy will be to sort out this issue, even though he was not the one who set it in train. The project was brought forward by the former Minister, Phil Hogan, or Big Phil as I used to call him. I wish him well in his new job. The Minister, Deputy Kelly, was trying to blame everything on Big Phil, but he cannot shift all the blame. This is a joint process; this baby was created by both Fine Gael and the Labour Party and is being delivered now by the Minister, Deputy Kelly. Irish Water staff have been in this building today, the third successive week in which they have come here to meet Oireachtas Members. I was not told about those meetings and nor were any of my colleagues.

**Deputy Paul Kehoe:** The Deputy needs to read his e-mails.

**Deputy Mattie McGrath:** I read my e-mails. I was not told about last week's meeting either.

I have in my hand not a grenade but a water meter of the model that is being installed throughout the county. In Mullinahone, otherwise known as Charles Kickham country - if one was never in Mullinahone, one has never travelled - 500 of these meters were fitted last year by GMC-Sierra Limited, the same company that is fitting the water meters now. In spite of two parliamentary questions I submitted pointing out what is happening, that company is still down

there taking out those meters and putting in new ones.

**An Ceann Comhairle:** I ask the Deputy to put that device away. It is not permitted to display such things in the Chamber.

**Deputy Mattie McGrath:** My colleague on my left will mind it for me. He knows what it is. I am just making the point that the Government will not listen. I have tabled two parliamentary questions and I have been told untruths and given misleading information that there were no meters in the boxes. While I have not counted them, there are around 600 of them. We will see what happens when I visit the location with Irish Water staff next Monday. This is a shambles from start to finish and has nothing to do with conserving water. An unholy mess has been visited on people, and Irish Water should never have been established.

Three hours were allowed for the debate on the Bill to establish Irish Water. On that occasion, I made a short comment in which I indicated that the only thing I liked about Irish Water was the name, Uisce Éireann, because I like a little Gaeilge. Other than that, Irish Water is a monster that is out of control. It is like a wild animal in the woods because nobody knows where it will end up. I know some people with considerable expertise who have started work for Irish Water and I feel sorry for them.

The matter has been badly handled. For example, we heard that representatives of Irish Water would meet Deputies in the House last week and again this evening. I learned from news reports that they were in the House. I have never met Irish Water staff here, although I will meet them in Mullinahone when I expect to see some red faces as they explain the reason for destroying 600 water meters. When I was asked how much each meter cost I was informed that such information was commercially sensitive. The national figure provided was that cost of the meters was €594 million, plus VAT. Ordinary people are being put to the pin of their collars as they try to put food on the table.

I salute members of group water schemes and the pioneers who developed them. I am glad those with wells will receive the grant of €100 because they need to be supported. Why should they pay for everything?

I also salute the council staff who developed water schemes. One could be forgiven for believing that we had no water schemes, pipes or reservoirs until Irish Water was established. Damn good services were supplied by many good people over the years. We did not hand them over to this quango to have them wrecked, abused and hijacked.

**Deputy Peter Mathews:** For some weeks, the storm clouds have been gathering and people have shown through peaceful protests that the cumulative burden and the exhaustion that has come over them and divided society have come about on an unfair basis. The events of last Saturday were completely wrong. To imprison someone in a car in such terrifying circumstances is appalling. Let me remind the Ministers of State opposite that 100,000 families are terrified because they live in mortgage imprisonment as a result of what was meted out to this country following the financial collapse in 2008. That, too, is wrong. Suicides have taken place and sickness has been visited on these families, some of whom have fallen apart as a result of the intolerable burden of distress.

The issue before us marks the arrival of another of the cumulative consequences of this distress. As we speak, €25 billion of promissory bonds lie in a drawer of the desk of the Governor of the Central Bank, Professor Patrick Honohan. These bonds came about as a result of a



whipped vote that followed virtually no discussion in February 2013. It is wrong that national debt was created from bank losses. We should dare to imagine the correct resolution of this issue. We should bring 26 Deputies, one from each county, to Professor Honohan's office, take the bonds out of his drawer, tear them up and tell Mr. Draghi that they are not deliverable by the Irish people.

**Deputy Mattie McGrath:** They should be flushed down the toilet.

**Deputy Peter Mathews:** The cost of repairing, reconditioning and reinstating the water system has been estimated to be approximately €10 billion. When one subtracts this amount from €25 billion, one is left with €15 billion for further capital infrastructure and to support and underpin the social protection of people who have been marginalised. Some 700 children have no homes tonight, 40 homeless people will sleep on Grafton Street, 90,000 people are on housing lists waiting for accommodation and teachers and nurses are doing double jobs to pay their bills.

We are setting up large and costly infrastructure for local property tax and water charges when we live in perhaps the best served country in the world in terms of steady rainfall throughout the year. If the infrastructure for reservoirs, treatment plants and pipes were to be brought up to date at a cost of €10 billion, which money can be taken from the €25 billion I propose to tear up in Professor Honohan's office, we would not need meters or conservation because we have steady rainfall throughout the year. This year, despite exceptionally good weather, the rainfall level would have been sufficient to meet the water requirements of industry, agriculture and households if our water infrastructure had not been clapped out because it has been allowed to rot in the ground for the past 25 or 30 years.

There is an unfairness in this country and the progressive nature of these new charges, which require large bureaucracies to measure and bill, is wrong. We should use our imagination. All State expenditures, whether for hospital services, teachers, the Garda or anything else, come from only three sources, namely, personal incomes, corporate incomes and expenditure taxation such as VAT and customs and excise duties. One can give a tax a new name or describe it as a water charge or property tax but it will still be a tax on personal incomes. The Government has been gutless and afraid to put a bill in front of the corporates, whose incomes since 2008 have remained steady in nearly all cases or increased. It has been afraid to ask them to help in the national recovery effort. A bill of 2.5% of their reported declared profits would generate €2.2 billion per annum and would have generated €6.6 billion in the past three years. The Government should be ashamed of itself. We are all on the same side.

**Deputy Michael Healy-Rae:** The Government does not do shame.

**Deputy Andrew Doyle:** I will try to steer away from engaging in theatrics or giving lectures. At the beginning of 2014, it was predicted that the Government would have to take a further €2 billion out of the economy. Around the middle of the year, the debate shifted and the figure changed to between €1 billion and €2 billion. The October budget resulted in €1 billion being put into the economy. It would have been simple to reduce this figure and instead continue to impose more tax on work, rather than reducing tax on employment and endeavour. Put simply, this would have meant continuing to treat the water service as we have always done by putting a sticking plaster on the problem that requires substantial investment to solve.

I will draw an analogy with the ESB, which I would not describe as a quango in contrast to

others who consider all commercial semi-State companies to be quangos. If the ESB had remained fully in State ownership, which would require all of its investment to come from capital investment, would Hewlett Packard, Intel or any of the other major corporations which provide significant employment have located here? These companies need water and I am not prepared to walk down to Professor Honohan's office and tear up bonds believing I will be able to borrow the money we need to service the deficit every year. If people want to take that risk, that is fine, but I am not prepared to engage in that bluff.

Members of the public have articulated concerns through protest and contacting their public representatives. I propose to put this issue in context. There are 2.2 million households in this State, of which 600,000 or more than 25% are not and will not become customers of Irish Water. They will continue to do what they have done for years, namely, provide their own water. If there is no water flowing from their taps, they must pay to have it fixed, and the same applies in the case of their wastewater systems. Under the water framework directives and new rules introduced by the Department of the Environment, Community and Local Government, private septic tanks must be emptied either every 18 months or two years. People have always paid the cost of emptying their septic tanks, which averages €350. Listening to some of the rhetoric of recent weeks, one would be led to believe these people did not exist.

Two red herrings, privatisation and PPS numbers, have been produced in this debate. I hope the Ceann Comhairle allows me to show my driver's licence. When I had to replace my licence, I had to give my PPS number to the National Driver Licence Service, NDLS, which is an agency. I wanted my licence so I gave them my PPS number.

**Deputy Thomas P. Broughan:** It could be sold on to a third party.

**Deputy Andrew Doyle:** It has not been sold on yet. To be perfectly honest, I would rather give my PPS number to the post office, quite willingly. I hope that at the next stage, the RSA will take that on board. People gave their PPS numbers, but it has been dealt with anyway.

The privatisation issue is a red herring. If the Government wanted to sell a commercial semi-state company or a utility company, we had every reason to sell ESB Networks when it was put on the menu of options. That was the most lucrative company of all, but we decided not to sell it because we learned from what happened with Eircom.

The Government is now accused of listening, instead of being arrogant. It has addressed the four biggest concerns that were put before the people. I wish to concentrate on one particular issue, which is conservation. If its gets an opportunity to do so, Irish Water will over the next four years prove that it can save money through conservation. Metering should be a way of identifying the leaks, as has been proven in group schemes and where meters have already been installed.

If through harvesting rainwater and repairing leaks we no longer need to install a piped infrastructure to bring water from the Shannon to Dublin to augment the city's supply at a huge capital cost and with a potential environmental impact, then it will prove to have been worthwhile. The RainSafe company can undertake a non-chemical, non-chlorinated water conservation treatment whereby any water off a roof can be made potable if stored. The principle of a conservation grant should be used for that purpose.

**Deputy Jerry Buttimer:** I welcome the opportunity to speak in this debate. It is extraordinary that yesterday the Opposition claimed the Government was not listening, yet today the

Chamber is bereft of Fianna Fáil, the Technical Group and a whole plethora of Independents. It underlines the fact that they were just playing to the Gallery.

**Deputy Thomas P. Broughan:** The best people are here, though.

**Deputy Jerry Buttimer:** That is correct. I might disagree with Deputy Broughan on many things but I respect him immensely.

As a Government, we have listened and realised that we made a mistake. The essence of a parliamentary democracy is to listen to the people. Deputy Mathews spoke about imagination. The imagination of the Government has been used in coming up with a utility company that ticks the boxes for affordability, certainty, quality of supply and conservation.

I live in the city of Cork, which was flooded in 2009. Irish Water's capital investment programme will spend €185 million on water infrastructure for the people of Cork. I welcome the fact that the Cork City water supply scheme, the Wilton-Lee Road trunk main scheme, the Lee Road water treatment plant upgrade, the Cork lower harbour main drainage scheme, the Crosshaven sewerage scheme storm outfall network and the Shannonvale sewerage scheme network upgrade will all take place. These are tangible benefits for the people of Cork.

People have criticised change for coming too slowly or not happening. When the Government tries to do things differently, the reaction from the Opposition remains the same - resist change and put forward no credible proposals. What does Sinn Féin want? No one quite knows.

**Deputy Brian Stanley:** The Deputy should have been here earlier on.

**Deputy Jerry Buttimer:** I was here. I was listening.

**Deputy Peter Mathews:** Tear up the bonds.

**An Ceann Comhairle:** We are short on time. Through the Chair, please.

**Deputy Jerry Buttimer:** What does Fianna Fáil want? Deputy Willie O'Dea wants to keep Irish Water. Deputy Cowen wants to bring in the NRA, which has no expertise in the management of water at all. Deputy Mathews's proposal is in fantasy, voodoo economics land.

**Deputy Peter Mathews:** It is very real.

**Deputy Jerry Buttimer:** What has the Government done? We have created certainty for four years. We are encouraging people.

**Deputy Brian Stanley:** Certain parties.

**Deputy Jerry Buttimer:** For a cost of €1.15 or €3 per week, we are encouraging people to become part of Irish Water as a utility company. Whether we like it or not, it costs money to do what Deputy Mathews spoke about - managing supplies in order to have pristine drinking water. Deputy McEntee referred to Intel as an example of a company that needs water to create jobs.

Despite the economic voodoo-land that some people live in, we do need to be realistic about where we can get the money from. That is a fact, whether people like it or not. The Government has made mistakes and it has taken us far too long to rectify that. Thankfully, however, we have listened and have taken on board the concerns expressed by many people over a period

of time. That is the hallmark of a Government that is about governing. It is about its ability to listen and to put in place an alternative to what was there before.

Some people do not want to see new jobs being created or our people prospering. Those of us in politics who want to make a difference recognise that being in government involves making decisions-----

**Deputy Peter Mathews:** Under the Whip.

**Deputy Jerry Buttimer:** -----that will have a lasting impression on the future economic landscape of our country. That is why the Government can go to the people in 2016 on its economic record.

**Deputy Thomas P. Broughan:** And lose most of your seats.

**Deputy Jerry Buttimer:** Well, you know, Deputy Broughan - I will conclude on this-----

**An Ceann Comhairle:** Please ignore the comments. Speak through the Chair, please.

**Deputy Jerry Buttimer:** I would rather stand for something than be a populist, opposing for the sake of opposition. I am not saying that you are, but I would much rather do that.

**Deputy Thomas P. Broughan:** We will come back.

**An Ceann Comhairle:** I would prefer if you would speak through the Chair and ignore side comments.

**Deputy Jerry Buttimer:** I would much rather do that, a Cheann Comhairle.

**An Ceann Comhairle:** The Deputy's time is just up.

**Deputy Jerry Buttimer:** I will conclude on this. The job this Government got was to fix our country's economic fortunes. Together with the Irish people, since we came into Government in 2011, we have done that. The people have played a huge role but the Government has had a plan. The new proposal for Irish Water will be the continuation of that journey.

**Minister of State at the Department of the Taoiseach (Deputy Paul Kehoe):** Some 25 years from now, the establishment of Irish Water and the upgrading of our water infrastructure will be seen as a national achievement. It will be compared to the establishment of the ESB and the roll-out of our national electricity programme after independence.

Young Irish men and women will not believe that in the early years of the 21st century our water infrastructure was, in a country this size, run by more than 30 different bodies with little co-ordination. In addition, 22,181 people were on boil-water notices and in 42 urban areas sewage was discharged untreated, putting rivers and bathing waters at risk of pollution. The national leakage rate of treated water was up to 49%, and much of our water infrastructure was laid when we were part of the United Kingdom. Some 800 km of water piping in Dublin alone has not been upgraded since we were under British rule.

There is insufficient drinking water supply for the greater Dublin area. Most European capital cities have between 15% and 20% spare capacity, whereas Dublin operates at approximately 96% to 99% of full capacity.

Future generations of Irish people will wonder how their parents and grandparents lived in a time before Irish Water. They will think the history books exaggerate when they say that half the water that was treated leaked out, some of the remainder was unfit for use if not boiled, and untreated sewage was allowed to flow into the natural environment.

The long-term benefits of the establishment of Irish Water, including the potential capital investment in infrastructure, far outweigh the difficulties that currently exist. As a Government, we accept that mistakes have been made. This was acknowledged yesterday by the Taoiseach, the Tánaiste and the Minister for the Environment, Community and Local Government.

The start date for domestic water charging will now be 1 January 2015, with the first bills to issue from April 2015. This means that water charges will not start until after the benefits of budget 2015 have been felt by households across the country. All eligible households will receive a water conservation grant of €100 per year, allowing all households invest in water conservation measures to reduce their water use. The net yearly cost for water will be €60 for a single-adult household or €160 for all other households. Households with either a water supply only or a sewage-only service will pay 50% of these rates. The use of the water meters can result in even lower charges than the capped charge. Estimates show that if metered households can reduce their water consumption by between 10% and 15%, half of Irish households will be able to cut their bills to below the capped charge. A number of constituents raised the issue of the requirement to provide their PPS numbers as a major objection to the way Irish Water was set to operate. It is a positive step that PPS numbers will not be required for registration with Irish Water. This is a clear indication that, despite what Opposition Deputies may claim, the Government has listened to and acted upon the concerns of the Irish people. The new arrangements can be seen as prioritising affordability, certainty, clarity, simplicity and encouraging conservation.

The maximum charge is €3 per week for a large household once the conservation grant is taken into account. For single households, it will be just over €1 per week. Households also have the opportunity to manage their water consumption to achieve a lower metered bill. All households will know their maximum bills until early 2019.

The next couple of years will see a major improvement in our water infrastructure. We will see fewer boil notices, less untreated sewerage released into our environment, and less expensive treated water leak from out of date pipes. Future generations of Irish men and women will look at the violence directed against the Taoiseach, Tánaiste, gardaí and Irish Water staff and wonder why people would stand in the way of improving our water services and water quality. The truth is that many of these violent protesters are not as interested in the issue of water as they appear and are more interested in abusing people, including members of the Garda Síochána. This is a watershed moment for Irish Water and future generations. I commend the motion to the House.

**Deputy Thomas P. Broughan:** I thank the Ceann Comhairle for his kindness in giving me speaking time.

**Deputy Peter Mathews:** It is well deserved.

**Deputy Thomas P. Broughan:** About a year ago, I was one of the Deputies who voted against the establishment of Irish Water. I foresaw that Irish Water would be a disaster and turn out to be the toxic brand it was described as last night. That is precisely what happened. Water

taxes or charges are a step too far for constituents who have suffered so badly from health, education, social welfare benefit and other cuts since 2008 and the onerous and bullying imposition of the household property tax. At weekend information clinics, as I am sure other Members experience, people show me their weekly or fortnightly payslips with major deductions for PAYE, PRSI, USC, pension contributions, the weekly or fortnightly property tax payment and, now, the new water tax. A few months ago, I put it to the Taoiseach that this vital question, which is exercising people so much, should be put to people in a general election. We should have an immediate general election and let the people decide. Their views have not been listened to and I reiterate my call for that.

In the 1980s and the 1990s, as the political leader of the Labour Party on Dublin City Council, I fiercely opposed water taxes. In that era, my neighbours in the Coolock-Artane and Raheny-Kilbarrack wards, which I represented in turn, were suffering deeply from the vicious and cruel cuts of the Haughey and Reynolds Fianna Fáil and Progressive Democrats Governments. As now, we had massive emigration and suffering of our people. We had the wealth and resources in the country to upgrade significantly our national infrastructure in health, education, transport and water and drainage services. We still have it today.

As chairperson of the general purposes committee of Dublin City Council through the 1990s, despite the ferocious contempt of Fine Gael and Fianna Fáil parties for this city and area, we managed to upgrade significantly the water services of the four Dublin local authority areas and the surrounding counties. In 2012, when the former Minister, Phil Hogan, made his disastrous decision to pursue Irish Water, we were producing 1.6 billion litres of water daily to a very high standard - 99% pure. This is not what the Minister, Deputy Alan Kelly, told us last night or the constant mantra of the Taoiseach.

Irish Water was always a bad idea and badly thought out and executed. We heard something about its parents this morning. If it was a film or theatre production, it would be a Fianna Fáil production, whose Members are not in the Chamber, with Fine Gael direction and a Labour Party fall guy. It will be a tragedy for that party, just as it was before, and the party will be written out of the script like the Green Party. Yesterday, the Minister, Deputy Kelly, had an opportunity to remove the toxicity of Irish Water and its taxes from the backs of the Irish people and from his unfortunate colleagues in the Labour Parliamentary Party. He could simply have come into the House, apologised at length for the madcap error-strewn history of Irish Water and the great distress it has caused our hard-pressed citizens and then simply announced the abolition of Irish Water and its hateful water taxes. Sadly, the Minister refused to take the opportunity yesterday and persisted with the morass of Irish Water. Irish Water is a bad idea because it was created as part of Bord Gáis Éireann, one of the least efficient, costly and most remote semi-State companies. Most Members have had that experience of Bord Gáis. It was also a bad idea because it included vast local drainage networks along with local water systems in a new huge and unwieldy quango. Why would we have every single street in urban Ireland, every townland and every pipeline under one organisation? It is not like electricity or gas, it is a more complex double system.

More importantly, the financial numbers for Irish Water simply do not add up. It was disappointing the Minister did not give us those numbers in the House. Members had to go back to their laptops and telephones to find the figures on a Twitter account. The numbers do not add up and the vast bulk of funding for Irish Water will come from the Exchequer, as it should and as is appropriate.

There is only one settlement and one solution for Irish Water. The Minister should stop spending money on useless, unnecessary and expensive meters and abolish the company and its egregious taxes, return the water services function to our much less expensive and, for all their faults, more efficient local authorities, perhaps operating on a regional basis. After the general election, this will be the solution. The Minister might as well do it now before his party is devastated.

**Minister of State at the Department of the Environment, Community and Local Government (Deputy Paudie Coffey):** I thank the many Deputies on all sides of the House for their contributions. The discussion has ranged far and wide and I will not be able to address every issue but, in the time available, I will try to deal with the main issues involved.

I wish to turn first to the question of capital investment in our water services. Many Deputies have referred to the fact that billions of euro have been invested in water services infrastructure in the past, which is the case. We all know this investment has been funded from taxation. The question is whether we have invested enough and, if not, how we will going to fund the infrastructure deficit to meet the challenge of fixing the water system. Where will the money come from? The answer to the first question is patently obvious. We have simply not invested anything near what is required to deliver a modern, efficient and reliable water and sewerage system across the country. If we had, we would not have boil water notices all over the country, we would not have water supply and capacity problems, especially in Dublin city, we would not have unacceptably high levels of leakage in the system, and we would not have raw sewage entering rivers and seas all around the country.

The fundamental issue here is that we need additional funding for water services. In answering the question as to how we will secure the level of investment we need, it is simply not credible to say we will deliver it through general taxation, when we know that we have not managed it for decades. We will be failing in our duty as public representatives and we will be failing future generations if we take the easy option and the easy way out and continue to apply approaches that have not delivered in the past. Customer charges, set at a modest level, with certainty into the future, provide the mechanism through which the investment we need can be secured. The revenue from customer charges will allow Irish Water to borrow to fund an expanded capital programme. They can plan strategically over a 25-year horizon, which allows for better use of the capital programme to develop much-needed projects all over the country. This is not a new model for Ireland, as ESB Networks in the network renewal programme has already demonstrated how a national utility manages its assets and can upgrade them. The money for the renewal programme was borrowed off balance sheet on the capital markets and this is the same principle that will apply to Irish Water. That is why we need charges and a national utility. The set-up investment in asset management systems is essential for capital investment planning and will have considerable benefits in project costs and timeliness of delivery.

I can give examples of projects where we already know that Irish Water's approach to capital investment will result in real savings compared with previous local authority plans. The Ringsend sewage treatment project will result in a saving of €170 million; the greater Dublin area drainage scheme will achieve savings of €30 million; the Cork city water supply scheme will see a saving of almost €22 million; the Navan mid-Meath water supply scheme will result in a saving of almost €10 million, while the Kerry central water supply scheme will achieve savings of almost €9 million. The local authority approach to these projects would have been far more costly than that of Irish Water and these five projects alone will yield savings of nearly €250 million, far exceeding the cost of setting up Irish Water and equal to the entire capital

spend by the Department of the Environment, Community and Local Government on the water services investment programme in 2013. Local authorities were not able to plan in this way and did not have certainty of funding in the long term which a utility can achieve with its capacity to borrow on the markets and plan over a longer period. Nationally, project development largely focused on county rather than regional or national solutions and economies of scale were difficult to achieve. With access to borrowing on capital markets, Irish Water can ensure more projects can be advanced and funded over time. This will underpin better regional development and consistency of service across the country.

The approach to water charges that the Government has decided on was framed to ensure charges would be modest, affordable and certain for the future. The Commission for Energy Regulation has reviewed the operational costs of Irish Water until 2016 and set challenging efficiency targets. All of Irish Water's customers - those who will pay and those who will not - need to be treated fairly. With regard to those who will not pay, it is important to draw a distinction between those who may find it difficult to pay and those who will simply refuse to pay. For those who may have difficulties in paying, there will be easy payment options and Irish Water will engage with those who will want to agree payment plans which are manageable from their perspective. For those who will choose not to pay, the Government will be introducing legislation to provide a range of mechanisms through which they can be pursued. The compliant customers who will pay their charges will expect nothing less.

It is regrettable that some Members have indicated that they have chosen not to pay. Sinn Féin's position on the issue is particularly untenable. Yesterday I listened to its Members speak about having had what they described as "a consistent position" on water charges, but this could not be further from the truth. In the past few weeks Deputy Gerry Adams wondered if he was liable for water charges, before accepting that he would pay them; now Sinn Féin Members are indicating their opposition to the charges and intention not to pay. That is some definition of consistency, but why am I surprised, given how Sinn Féin manipulates the English language every time it faces a difficult issue?

**Deputy Alan Kelly:** Hear, hear.

**Deputy Paudie Coffey:** Sinn Féin in government in the North and with reference to the budget for the period 2011 to 2015 has stated, "In Northern Ireland the services are currently primarily funded from public expenditure. This creates pressures in other areas ... for example health and education funding needs to be diverted to cover the associated water costs." This is an admission that water services in Northern Ireland are competing for the same funding as all other Departments in the North, leading to a distinct lack of funding. I note that Northern Irish Water admits as much on its website. This reflects the argument made by the Government, as if we were to fund water services from general taxation, we would have to divert funds from areas where funding is much needed. Sinn Féin disagrees with such a position in this State, but it pursues the same policy in Northern Ireland. That exposes its double-speak.

Fianna Fáil is calling for the abolition of Irish Water, despite the fact that in the party's national recovery plan for the period 2010 to 2014 it stated it would charge €400 per year for water services. It is also interesting to note that it strongly opposed the establishment of another national utility, the ESB, in 1927. This is typical of its stunts in opposition; it is Punch and Judy politics, with no substance or solutions, while trying to be all things to everybody.

Members of the Technical Group include Deputies who encourage people not to pay their



household charges. They held meetings all over the country, collecting €5 and saying they would obtain the best legal advice. They encouraged people not to pay the septic tank registration charge, but where were they when the charge was applied, with penalties? They abandoned the people in question.

**Deputy Simon Harris:** Hear, hear.

**Deputy Joe Higgins:** Who implemented the charges?

**Deputy Paudie Coffey:** They are leading people up the garden path. Vulnerable individuals were left high and dry after attending meetings and hearing about promises that could not be kept.

**Deputy Joe Higgins:** The Minister of State could ask the Labour Party about that.

**An Ceann Comhairle:** The Deputy should stay quiet.

**Deputy Paudie Coffey:** The Socialist Party and Sinn Féin have marched people up the hill on many occasions only to then abandon them. I have no doubt that they will do the same on this occasion.

Turning to the metering programme, I will respond to comments from Deputies suggesting the new measures being introduced have resulted in water meters being redundant and in the fact that conservation is no longer a priority. That is simply not the case. Metered households will have an opportunity to “beat the cap” and receive bills lower than the capped amounts of €160 and €260. A key objective underpinning the reform of the water services sector is to ensure we manage our precious water resources well. Up to 49% of treated water is leaking into the ground before it reaches people’s taps and the only way to identify these leaks is to meter water. There is a stark example of how this can work. At one stage 20 houses were identified in Dublin city alone from which, cumulatively, over 1 million litres of treated water was leaking under driveways every day. This is enough to service the entire town of Gorey, a town of over 9,000 people.

**Deputy Thomas P. Broughan:** Where were the houses in question located?

**Deputy Paudie Coffey:** In summary, meters, the first fix scheme and the water conservation grant can and will contribute to conserving and saving water.

**Deputy Thomas P. Broughan:** That is a myth.

**Deputy Alan Kelly:** The Deputy is talking rubbish.

**Deputy Paudie Coffey:** It is important to recap why we need a single national publicly owned utility responsible for water and sewage treatment. The reason is simple - the previous system of providing water services through local authorities with limited public funding was not capable of delivering the scale of investment that we needed.

**Deputy Thomas P. Broughan:** The Government made sure of that. It kept the funding limited, not Fianna Fáil.

**Deputy Paudie Coffey:** The process associated with the investment programme was slow, bureaucratic and inefficient and, inevitably, each local authority prioritised its own needs without, in many cases, examining the potential for regional solutions to deliver economies of scale.

Yesterday the Minister highlighted where that had got us and it is no harm to remind the House again. More than 20,000 people are on boil water notices and almost half of our water is unaccounted for. There are hundreds of kilometres of pipes in the system over 100 years old.

**Deputy Thomas P. Broughan:** The water is 99% pure.

**Deputy Paudie Coffey:** Dublin's capacity is on a knife-edge, as we have seen.

**Deputy Thomas P. Broughan:** The Minister of State does not know his brief.

**Deputy Paudie Coffey:** There are 42 towns in the country with wholly inadequate sewage treatment systems, with raw sewage being dispersed into the sea.

**Deputy Thomas P. Broughan:** The Minister of State does not know the brief.

**An Ceann Comhairle:** The Deputy should stay quiet, as he had his chance.

**Deputy Tom Hayes:** He should have stayed over here.

**Deputy Paudie Coffey:** That will remain the reality if there is no single national publicly owned utility, which is precisely the reason Irish Water has been established.

**Deputy Thomas P. Broughan:** A fantasy.

**Deputy Paudie Coffey:** I again thank Deputies for their contributions to this very important debate in the past two days. The Government is committed to reforming the way in which water services are delivered. We have listened to the concerns of the people and are putting in place a simpler, fairer, more certain and affordable system of water charges. I commend the motion to the House.

**Deputy Alan Kelly:** Well done.

**An Ceann Comhairle:** I must put the question. Is the motion agreed to?

**Deputy Joe Higgins:** You must be joking.

*8 o'clock*

Question put.

The Dáil divided by electronic means.

**Deputy Aengus Ó Snodaigh:** As a teller, under Standing Order 69 I propose that the vote be taken by other than electronic means.

**An Ceann Comhairle:** As Deputy Aengus Ó Snodaigh is a Whip, under Standing Order 69 he is entitled to call a vote through the lobby.

Question again put:

<i>The Dáil divided: Tá, 78; Níl, 52.</i>	
<i>Tá</i>	<i>Níl</i>
<i>Barry, Tom.</i>	<i>Adams, Gerry.</i>
<i>Breen, Pat.</i>	<i>Boyd Barrett, Richard.</i>

<i>Burton, Joan.</i>	<i>Broughan, Thomas P.</i>
<i>Butler, Ray.</i>	<i>Calleary, Dara.</i>
<i>Buttimer, Jerry.</i>	<i>Collins, Joan.</i>
<i>Byrne, Catherine.</i>	<i>Collins, Niall.</i>
<i>Byrne, Eric.</i>	<i>Colreavy, Michael.</i>
<i>Carey, Joe.</i>	<i>Coppinger, Ruth.</i>
<i>Coffey, Paudie.</i>	<i>Cowen, Barry.</i>
<i>Conaghan, Michael.</i>	<i>Crowe, Seán.</i>
<i>Conlan, Seán.</i>	<i>Doherty, Pearse.</i>
<i>Connaughton, Paul J.</i>	<i>Ellis, Dessie.</i>
<i>Conway, Ciara.</i>	<i>Ferris, Martin.</i>
<i>Coonan, Noel.</i>	<i>Fitzmaurice, Michael.</i>
<i>Costello, Joe.</i>	<i>Flanagan, Terence.</i>
<i>Daly, Jim.</i>	<i>Fleming, Sean.</i>
<i>Deasy, John.</i>	<i>Fleming, Tom.</i>
<i>Deering, Pat.</i>	<i>Grealish, Noel.</i>
<i>Doherty, Regina.</i>	<i>Halligan, John.</i>
<i>Dowds, Robert.</i>	<i>Healy, Seamus.</i>
<i>Doyle, Andrew.</i>	<i>Healy-Rae, Michael.</i>
<i>Durkan, Bernard J.</i>	<i>Higgins, Joe.</i>
<i>English, Damien.</i>	<i>Kelleher, Billy.</i>
<i>Farrell, Alan.</i>	<i>Kirk, Seamus.</i>
<i>Feighan, Frank.</i>	<i>Kitt, Michael P.</i>
<i>Fitzgerald, Frances.</i>	<i>Lowry, Michael.</i>
<i>Fitzpatrick, Peter.</i>	<i>McConalogue, Charlie.</i>
<i>Flanagan, Charles.</i>	<i>McDonald, Mary Lou.</i>
<i>Griffin, Brendan.</i>	<i>McGrath, Finian.</i>
<i>Hannigan, Dominic.</i>	<i>McGrath, Mattie.</i>
<i>Harrington, Noel.</i>	<i>McGuinness, John.</i>
<i>Harris, Simon.</i>	<i>McLellan, Sandra.</i>
<i>Hayes, Tom.</i>	<i>Martin, Micheál.</i>
<i>Heydon, Martin.</i>	<i>Mathews, Peter.</i>
<i>Howlin, Brendan.</i>	<i>Moynihan, Michael.</i>
<i>Humphreys, Heather.</i>	<i>Murphy, Catherine.</i>
<i>Humphreys, Kevin.</i>	<i>Murphy, Paul.</i>
<i>Kehoe, Paul.</i>	<i>Naughten, Denis.</i>
<i>Kelly, Alan.</i>	<i>Ó Caoláin, Caoimhghín.</i>
<i>Kenny, Seán.</i>	<i>Ó Fearghail, Seán.</i>
<i>Lawlor, Anthony.</i>	<i>Ó Snodaigh, Aengus.</i>
<i>Lynch, Ciarán.</i>	<i>O'Brien, Jonathan.</i>
<i>Lyons, John.</i>	<i>O'Dea, Willie.</i>
<i>McEntee, Helen.</i>	<i>O'Sullivan, Maureen.</i>
<i>McFadden, Gabrielle.</i>	<i>Pringle, Thomas.</i>

*Dáil Éireann*

<i>McGinley, Dinny.</i>	<i>Ross, Shane.</i>
<i>McHugh, Joe.</i>	<i>Shortall, Róisín.</i>
<i>Mitchell O'Connor, Mary.</i>	<i>Smith, Brendan.</i>
<i>Mitchell, Olivia.</i>	<i>Stanley, Brian.</i>
<i>Mulherin, Michelle.</i>	<i>Timmins, Billy.</i>
<i>Murphy, Dara.</i>	<i>Tóibín, Peadar.</i>
<i>Murphy, Eoghan.</i>	<i>Troy, Robert.</i>
<i>Nash, Gerald.</i>	
<i>Neville, Dan.</i>	
<i>Nolan, Derek.</i>	
<i>Noonan, Michael.</i>	
<i>Ó Ríordáin, Aodhán.</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>O'Sullivan, Jan.</i>	
<i>Penrose, Willie.</i>	
<i>Perry, John.</i>	
<i>Phelan, Ann.</i>	
<i>Phelan, John Paul.</i>	
<i>Rabbitte, Pat.</i>	
<i>Ryan, Brendan.</i>	
<i>Shatter, Alan.</i>	
<i>Sherlock, Sean.</i>	
<i>Stagg, Emmet.</i>	
<i>Stanton, David.</i>	
<i>Tuffy, Joanna.</i>	
<i>Twomey, Liam.</i>	
<i>Wall, Jack.</i>	
<i>Walsh, Brian.</i>	
<i>White, Alex.</i>	

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

Question declared carried.

The Dáil adjourned at 8.25 p.m. until 10 a.m. on Friday, 21 November 2014.